

Prepared for

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THE LABOR MARKET IN THE GREAT RECESSION

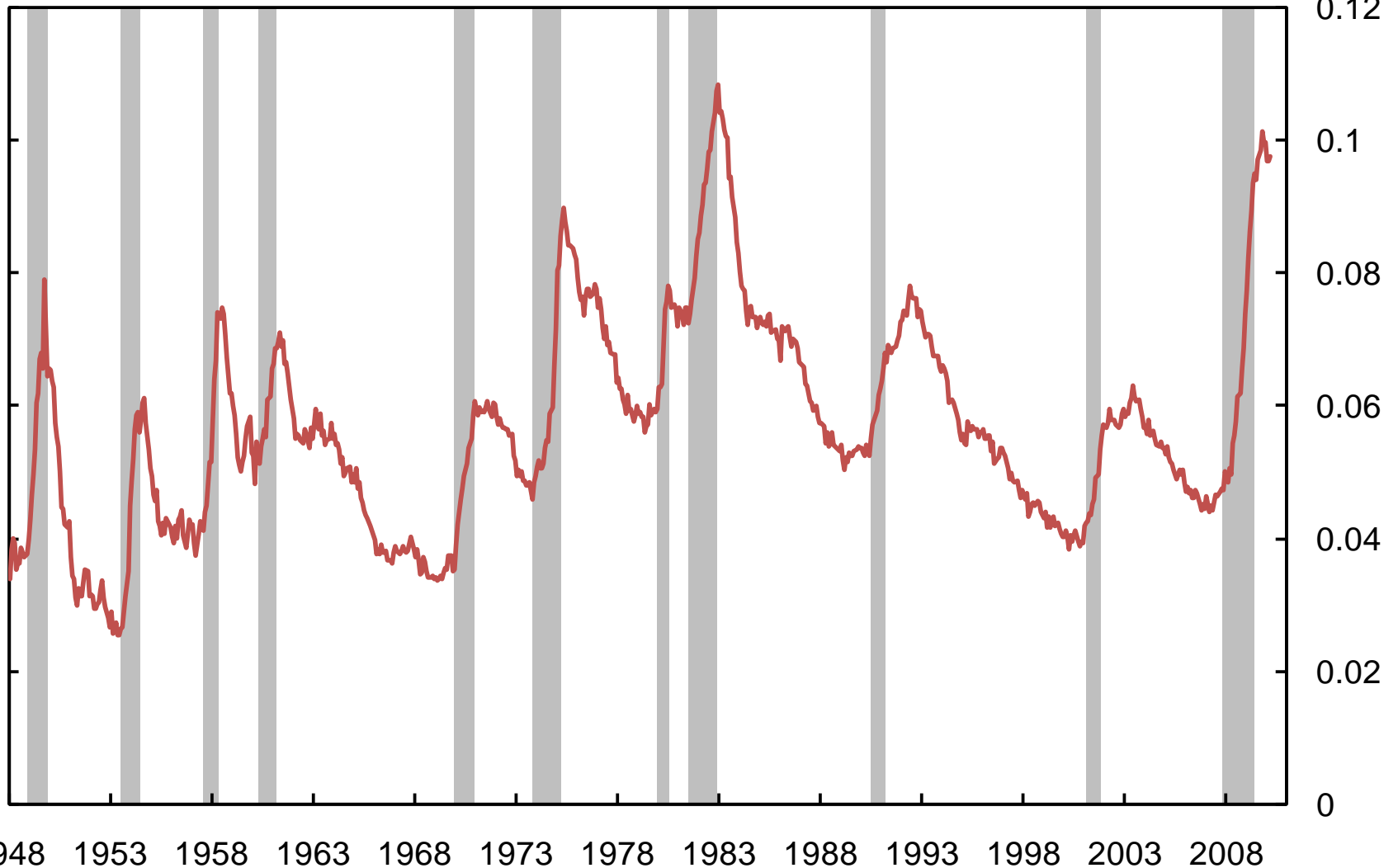
Disclaimer: The views expressed in this presentation are those of the authors and do not necessarily reflect those of the Federal Reserve Bank of New York, the Federal Reserve Bank of San Francisco, or the Federal Reserve System as a whole.

These slides cover data through April .15th .

Unemployment Rate, 1948-2010

Seasonally-adjusted monthly series

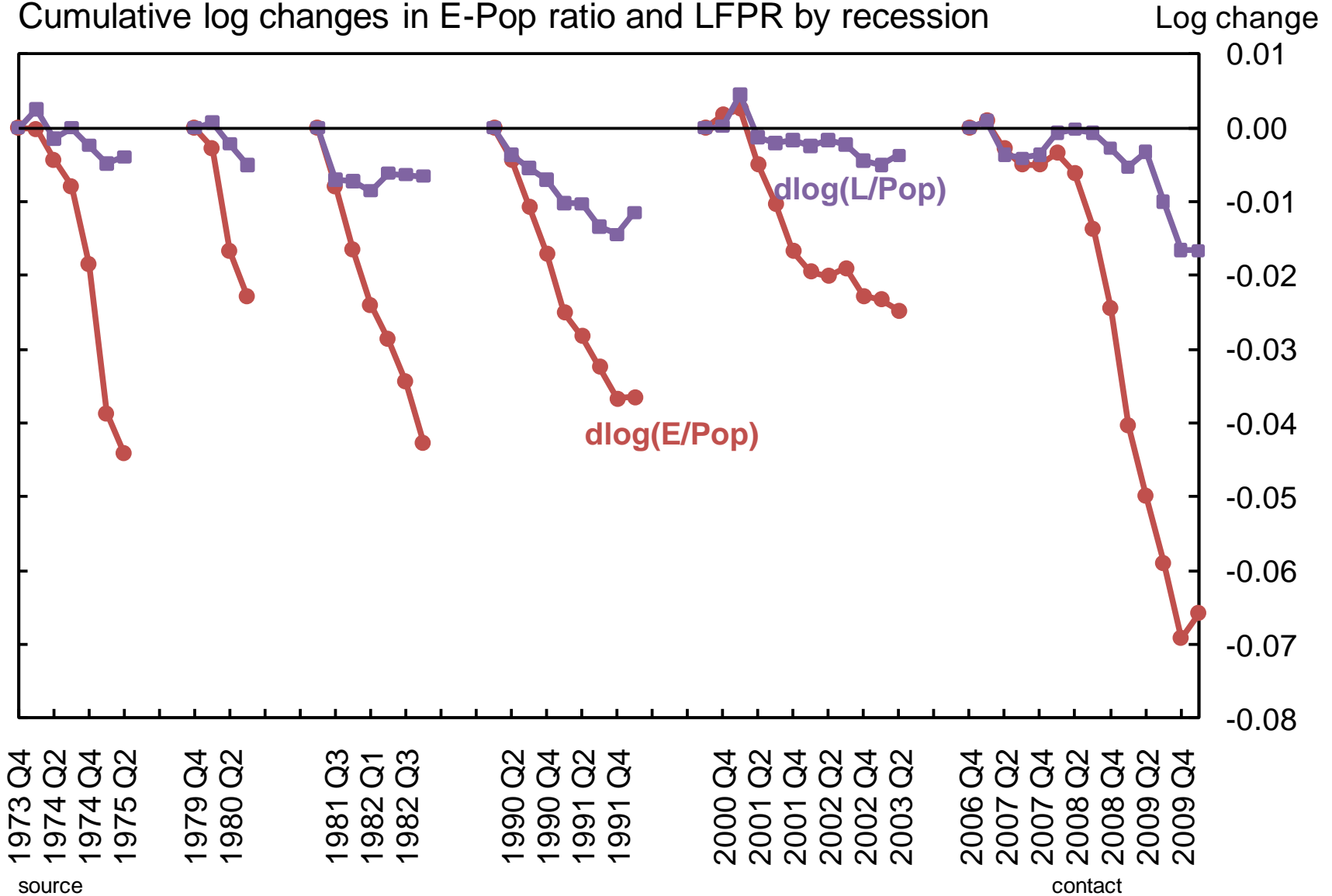
Fraction of Labor Force



Source: Bureau of Labor Statistics

Employment and Labor Force Participation 1973-10

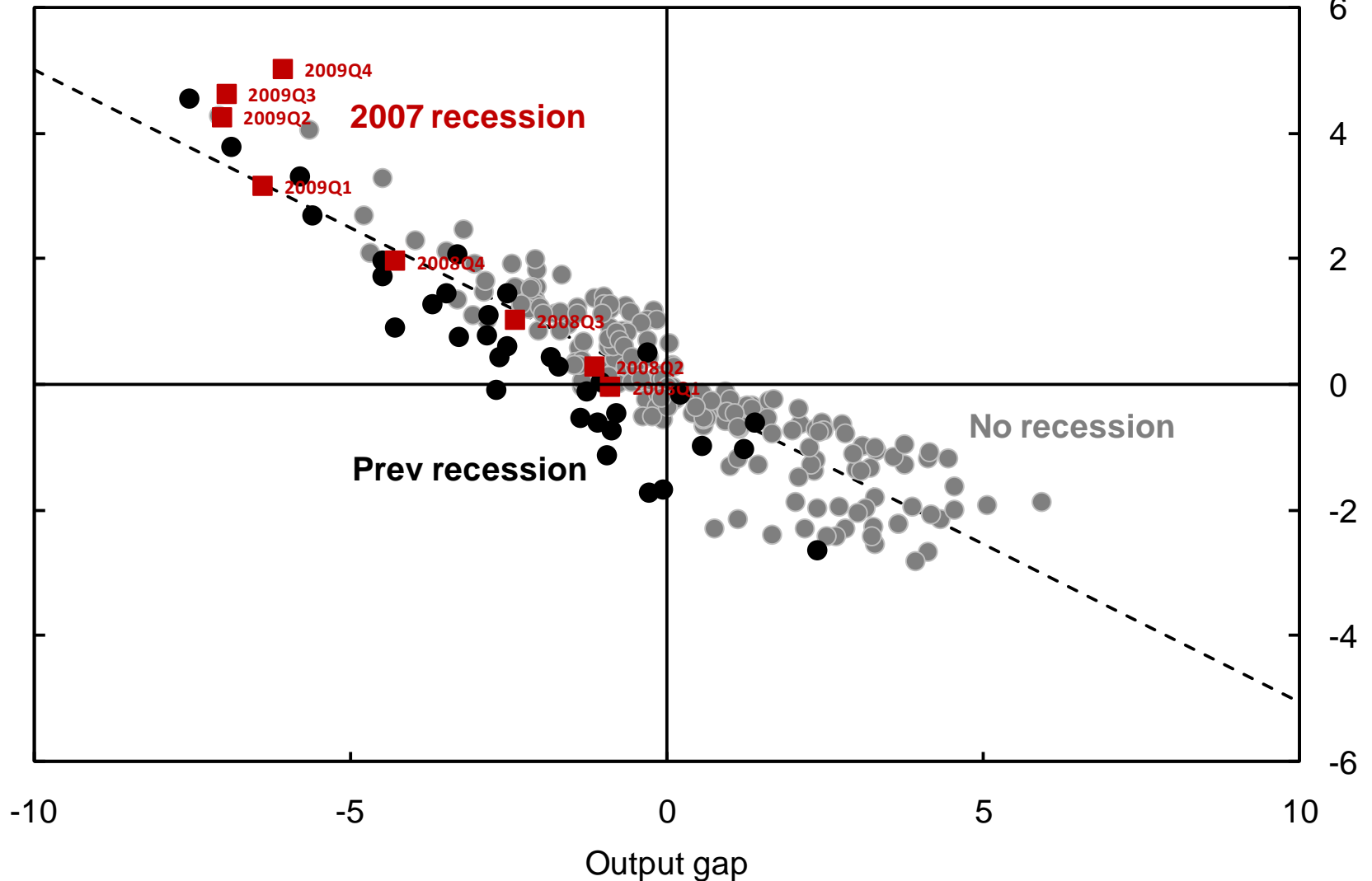
Cumulative log changes in E-Pop ratio and LFPR by recession



Okun's Law

Based on CBO potential output and Nairu (1949-now)

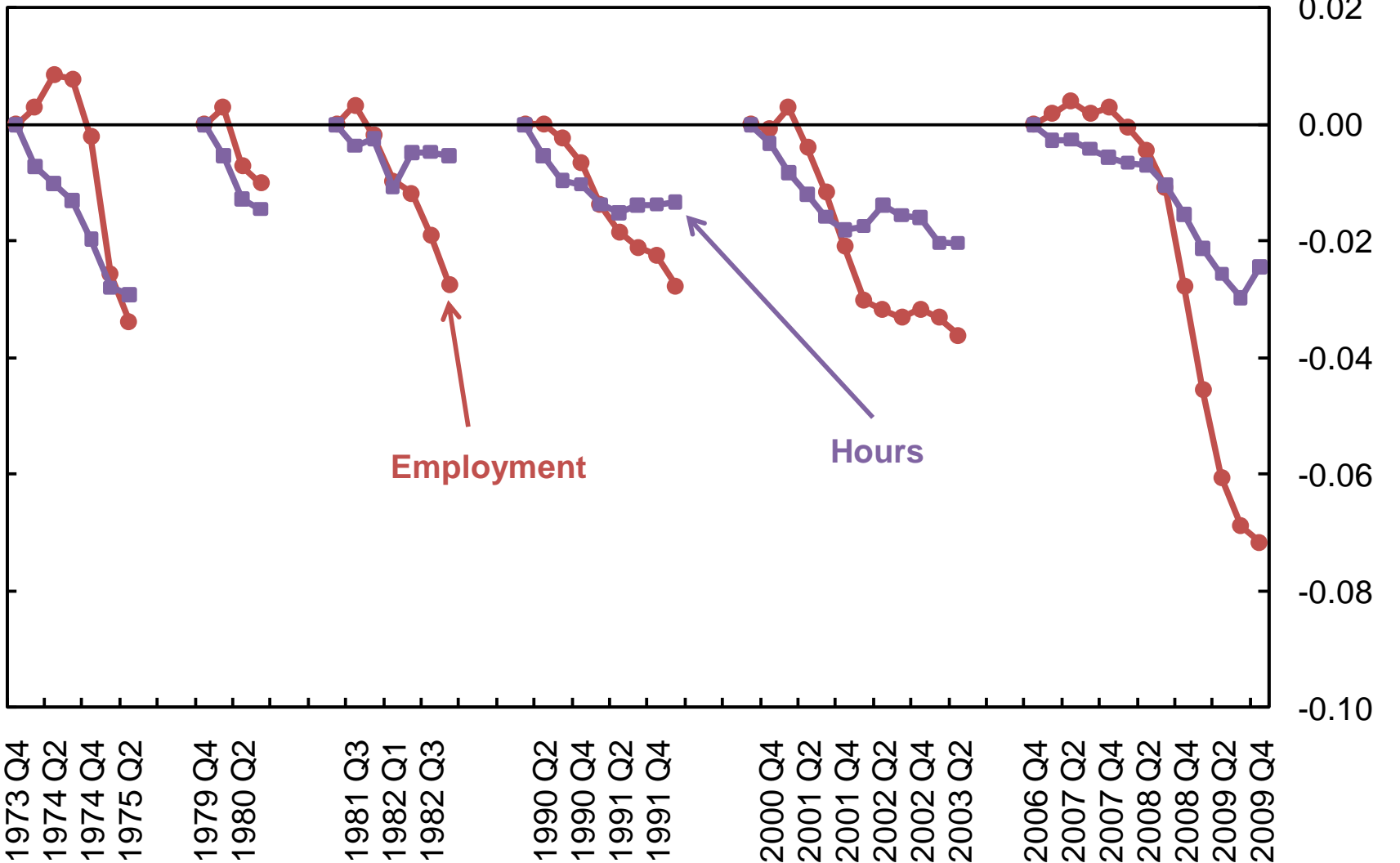
Unemployment gap



Source: Bureau of Economic Analysis, Bureau of Labor Statistics, and Congressional Budget Office

Hours vs. Bodies by Recession 1973-09

Cumulative log decline in employment and weekly hours per worker

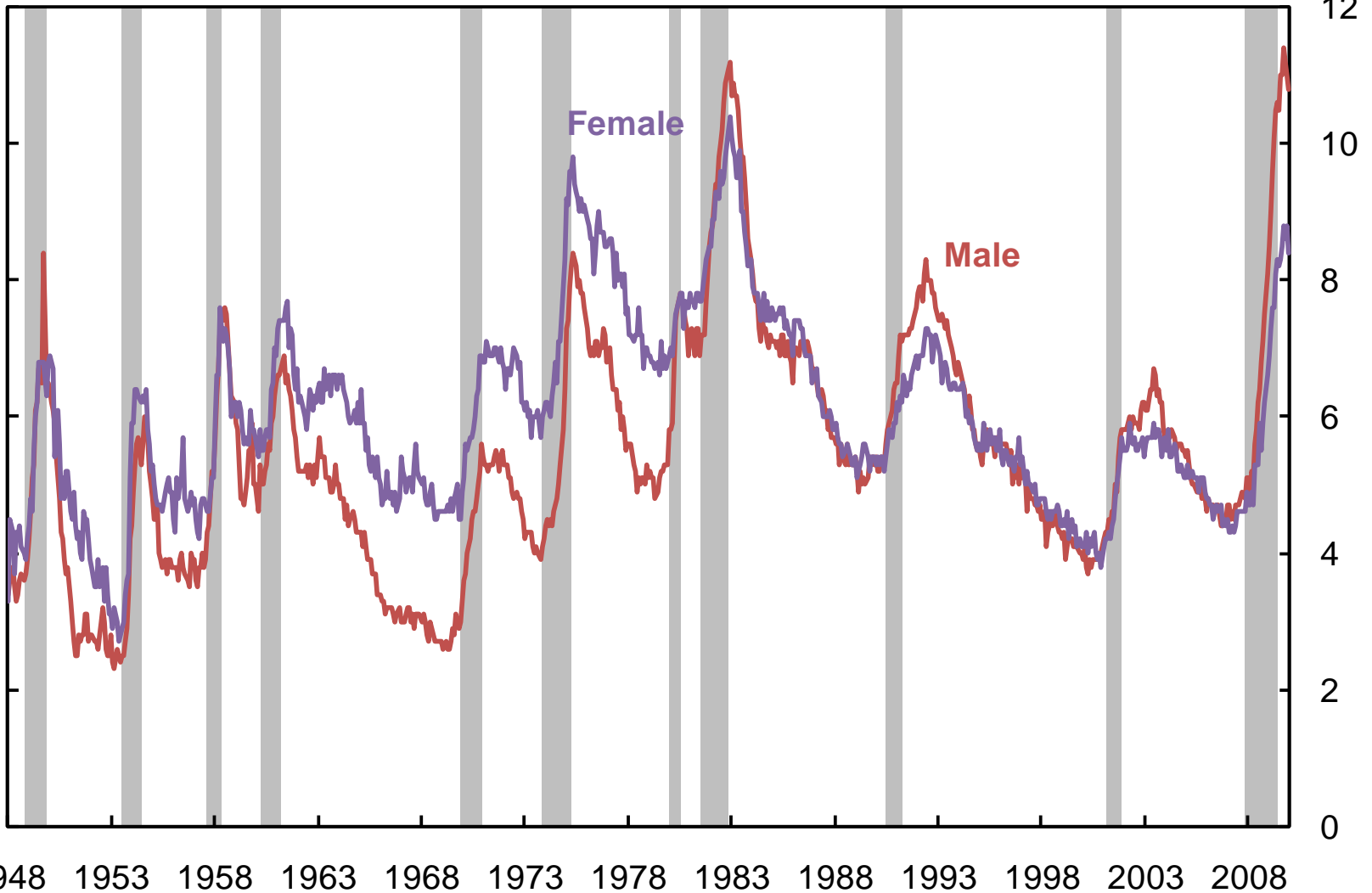


Source: Bureau of Labor Statistics, Labor Productivity and Costs employment and weekly hours series.

Unemployment by Gender

Seasonally-adjusted monthly series

Percent of Labor Force

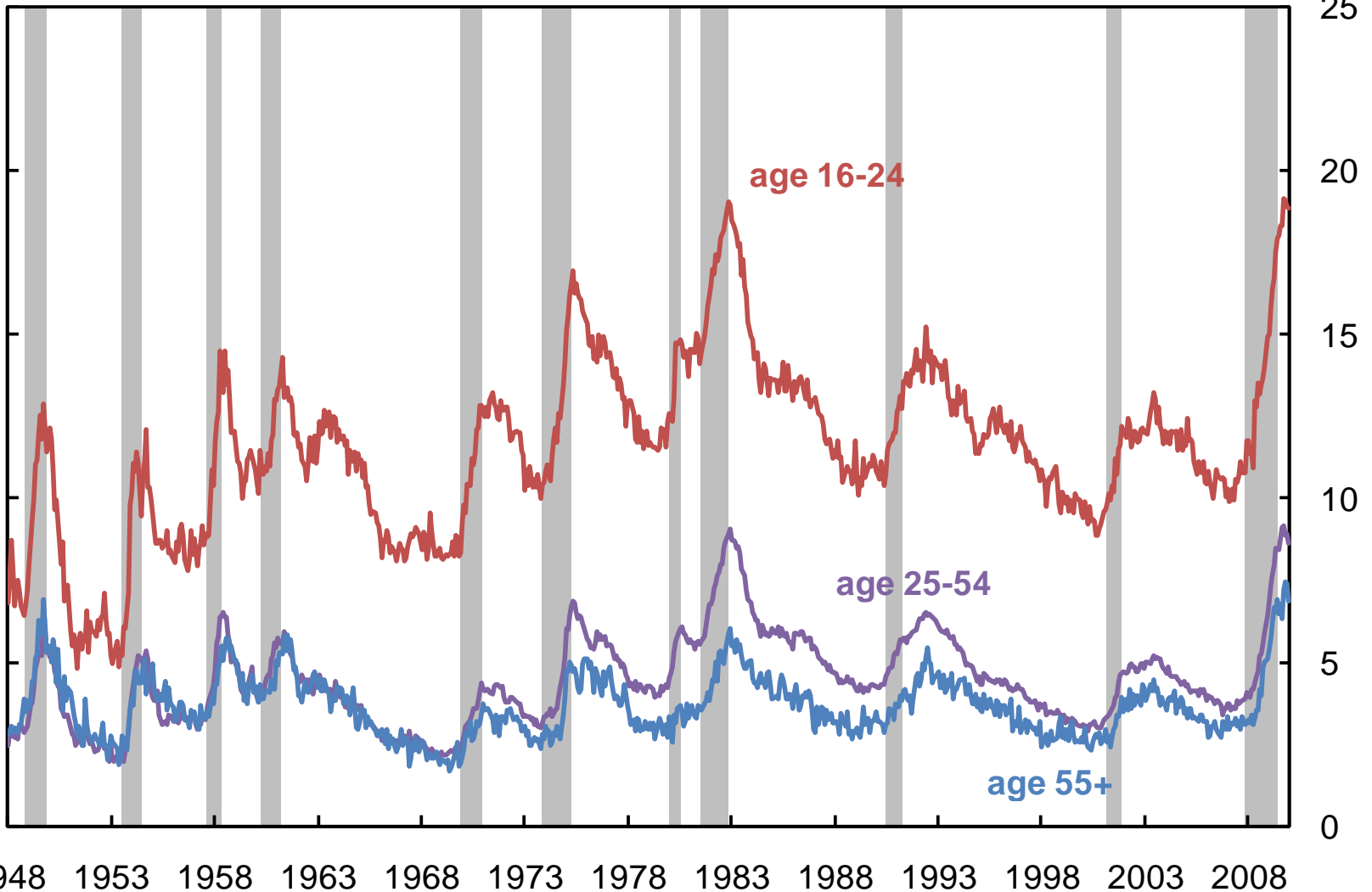


Source: Bureau of Labor Statistics

Unemployment by Age

Seasonally-adjusted monthly series

Percent of Labor Force

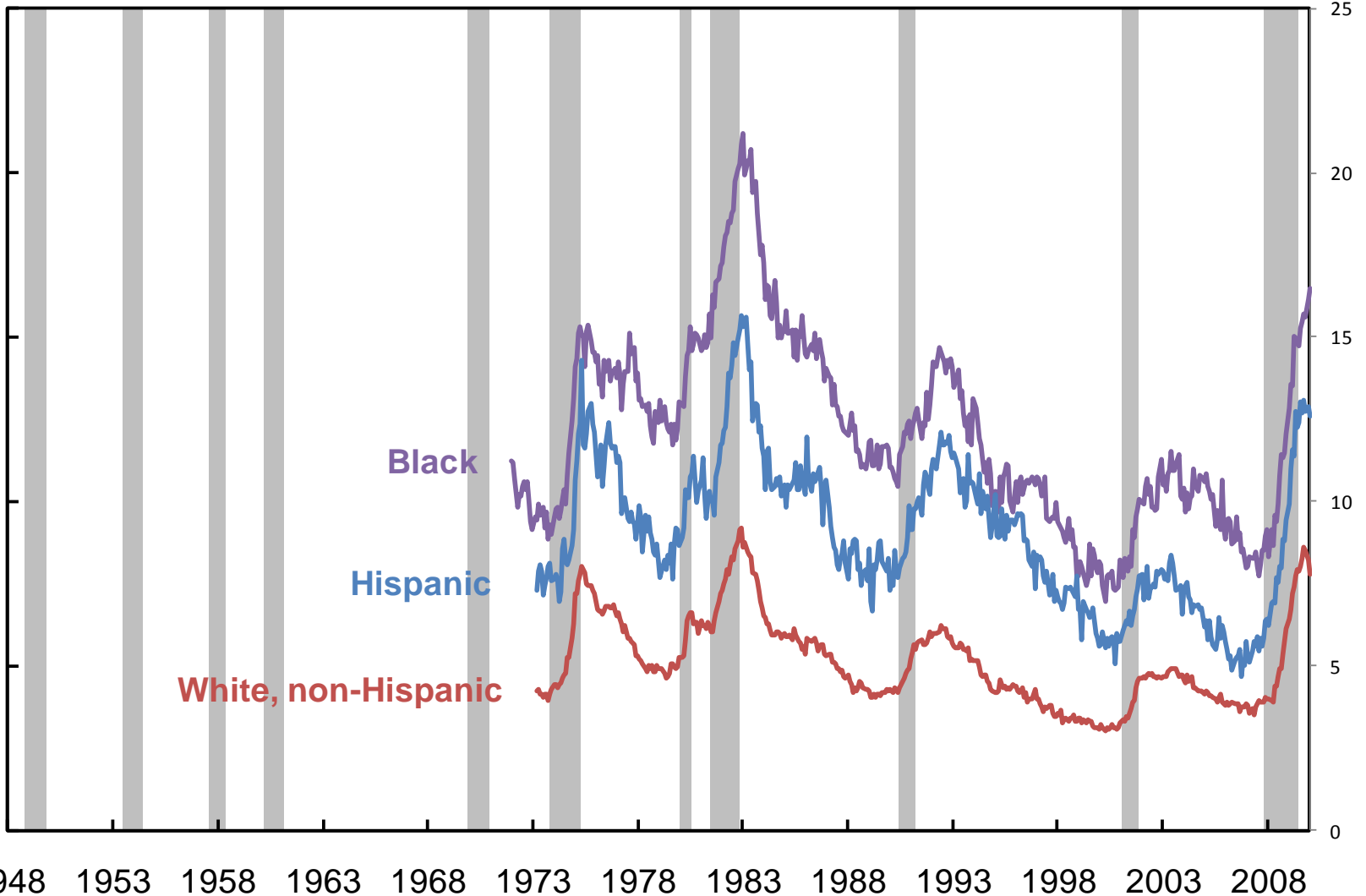


Source: Bureau of Labor Statistics

Unemployment by Race/Ethnicity

Seasonally-adjusted monthly series

Percent of Labor Force

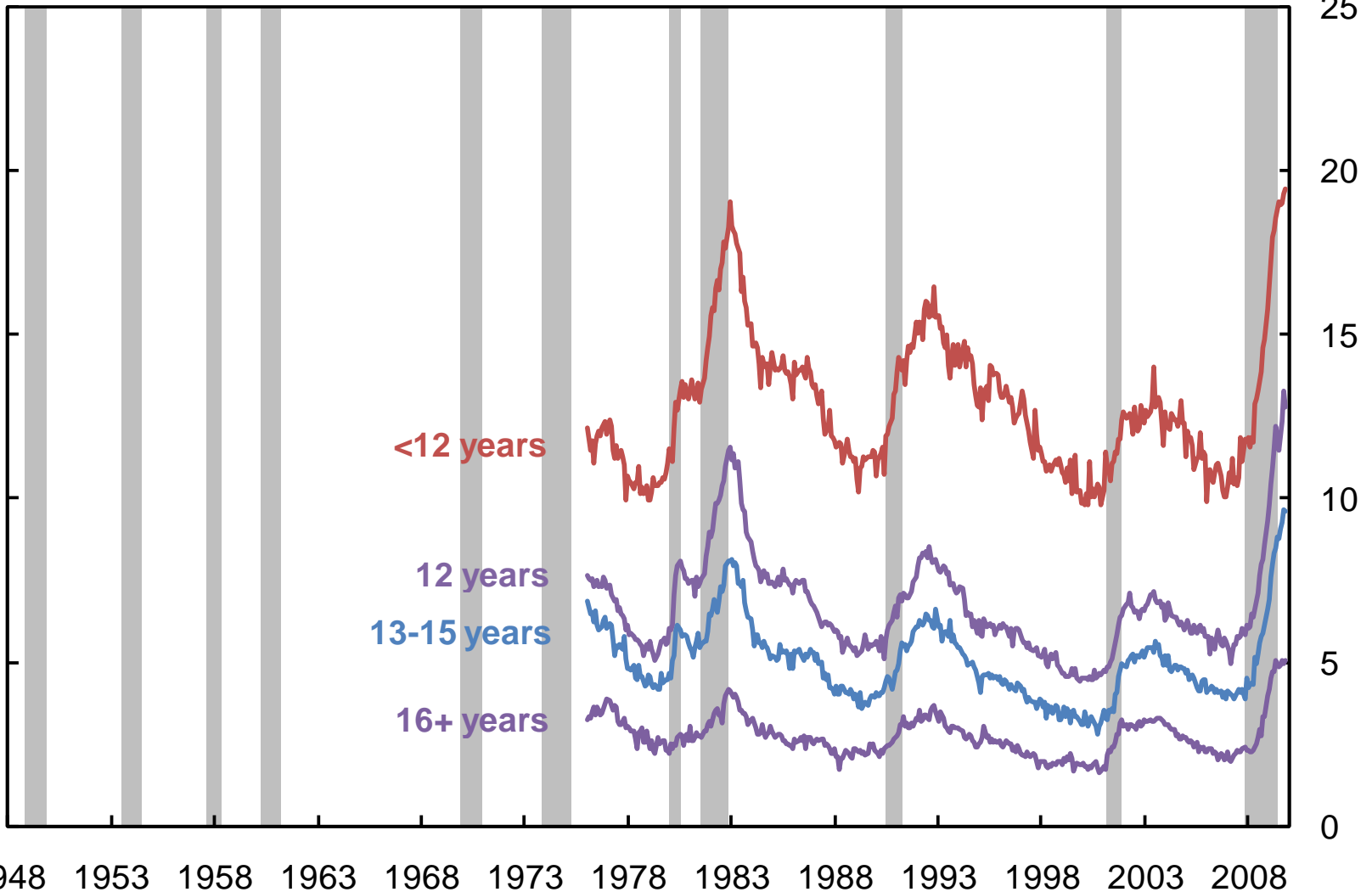


Source: Bureau of Labor Statistics

Unemployment by Education

Seasonally-adjusted monthly series

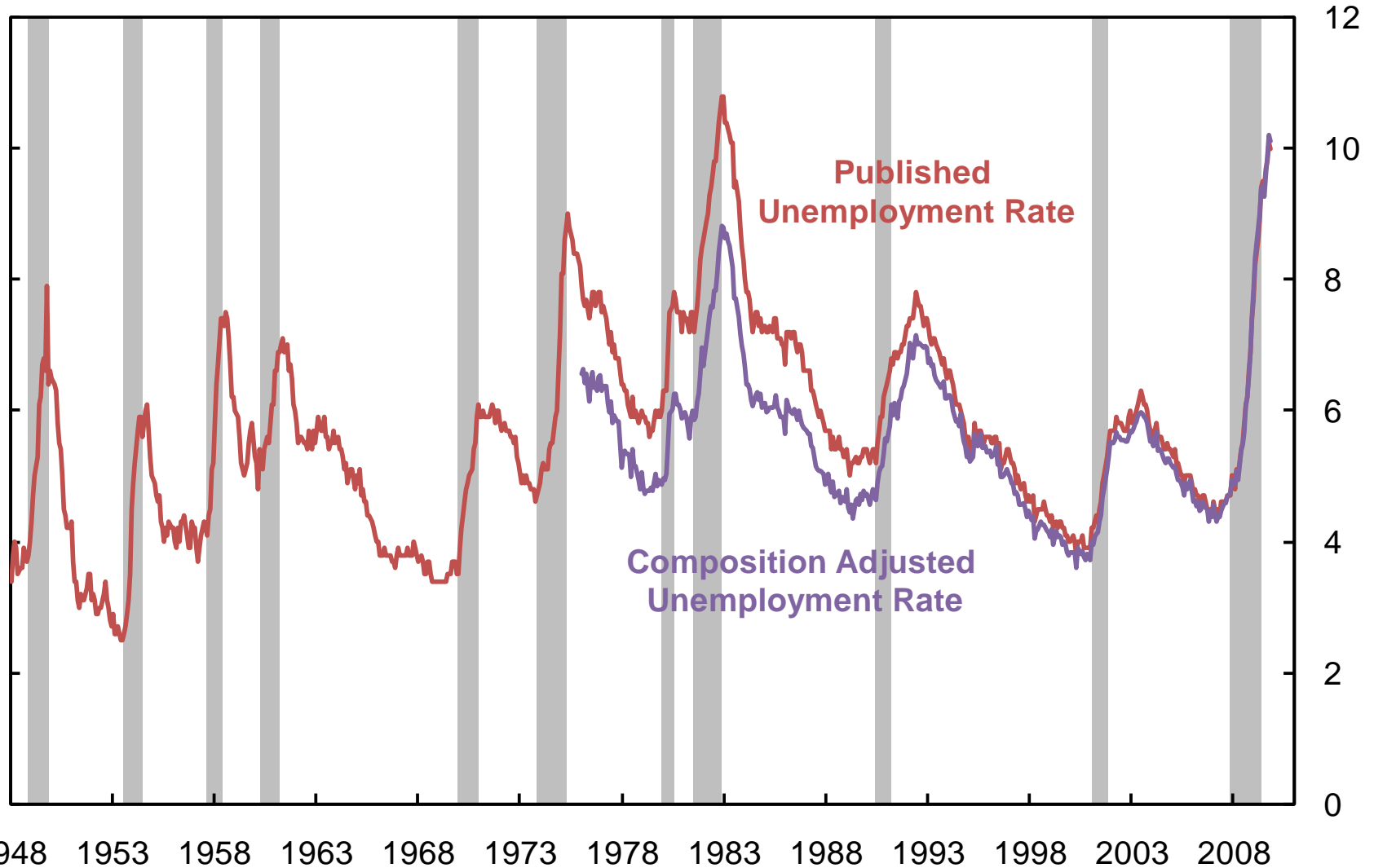
Percent of Labor Force



Source: Bureau of Labor Statistics

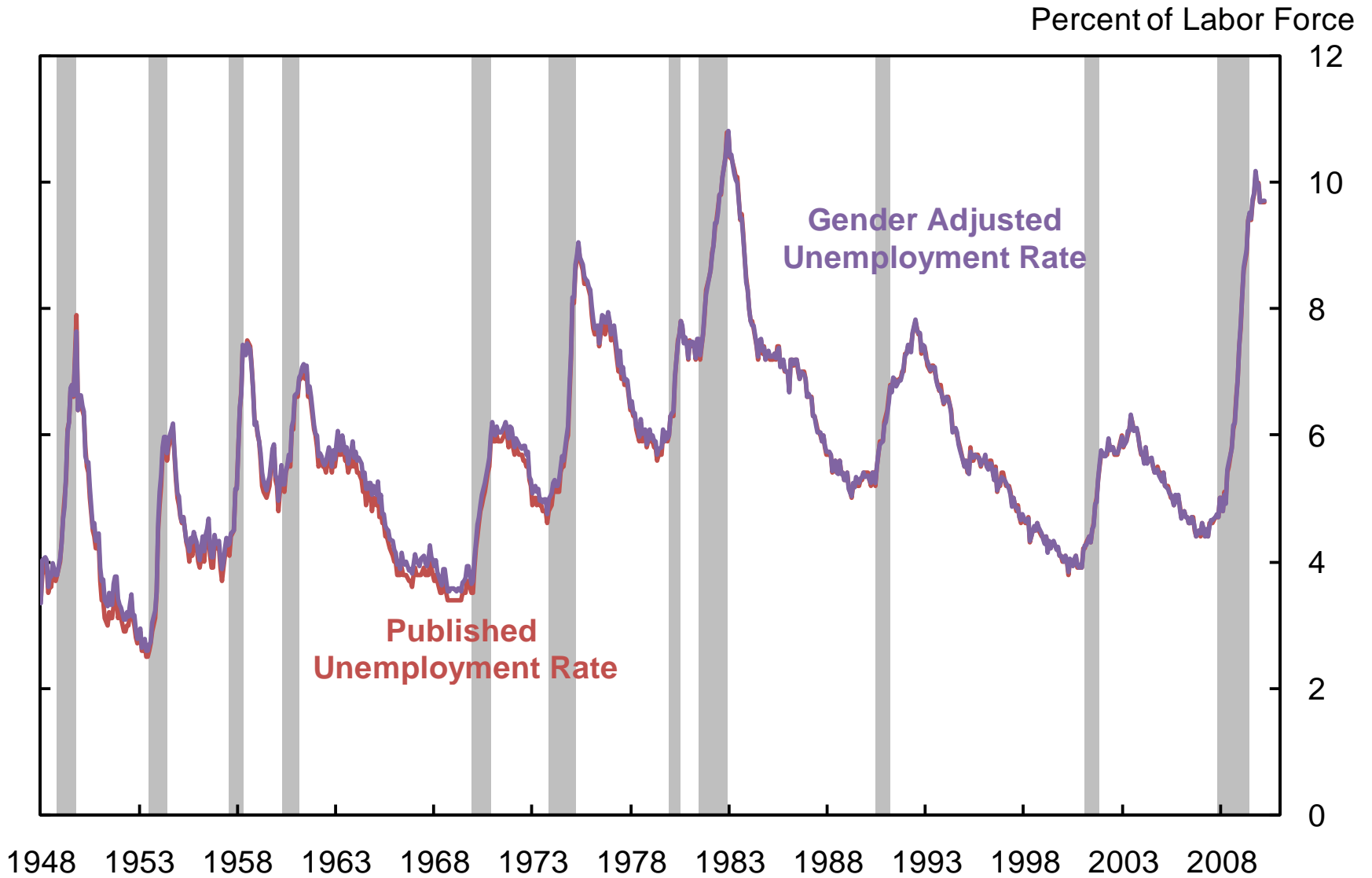
Composition-Adjusted Unemployment

Adjusted for full age, gender, race and education interactions Percent of Labor Force



Source: Bureau of Labor Statistics, Current Population Survey. Adjusted for full age, gender, race, and education interactions

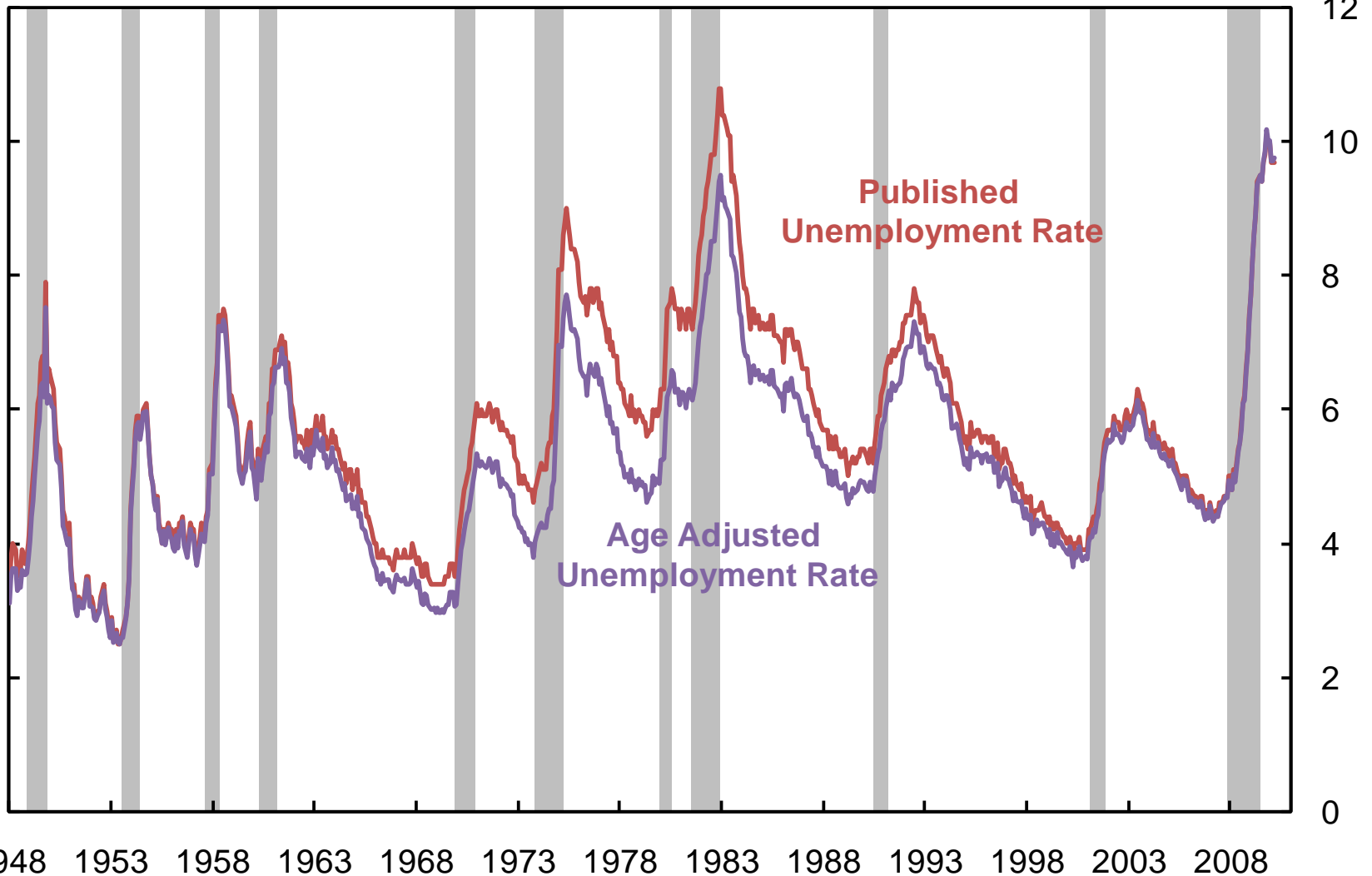
Gender-Adjusted Unemployment



Source: Bureau of Labor Statistics

Age-Adjusted Unemployment

Adjusted for 16-24, 25-34, 35-44, 45-54, and 55+ age groups Percent of Labor Force

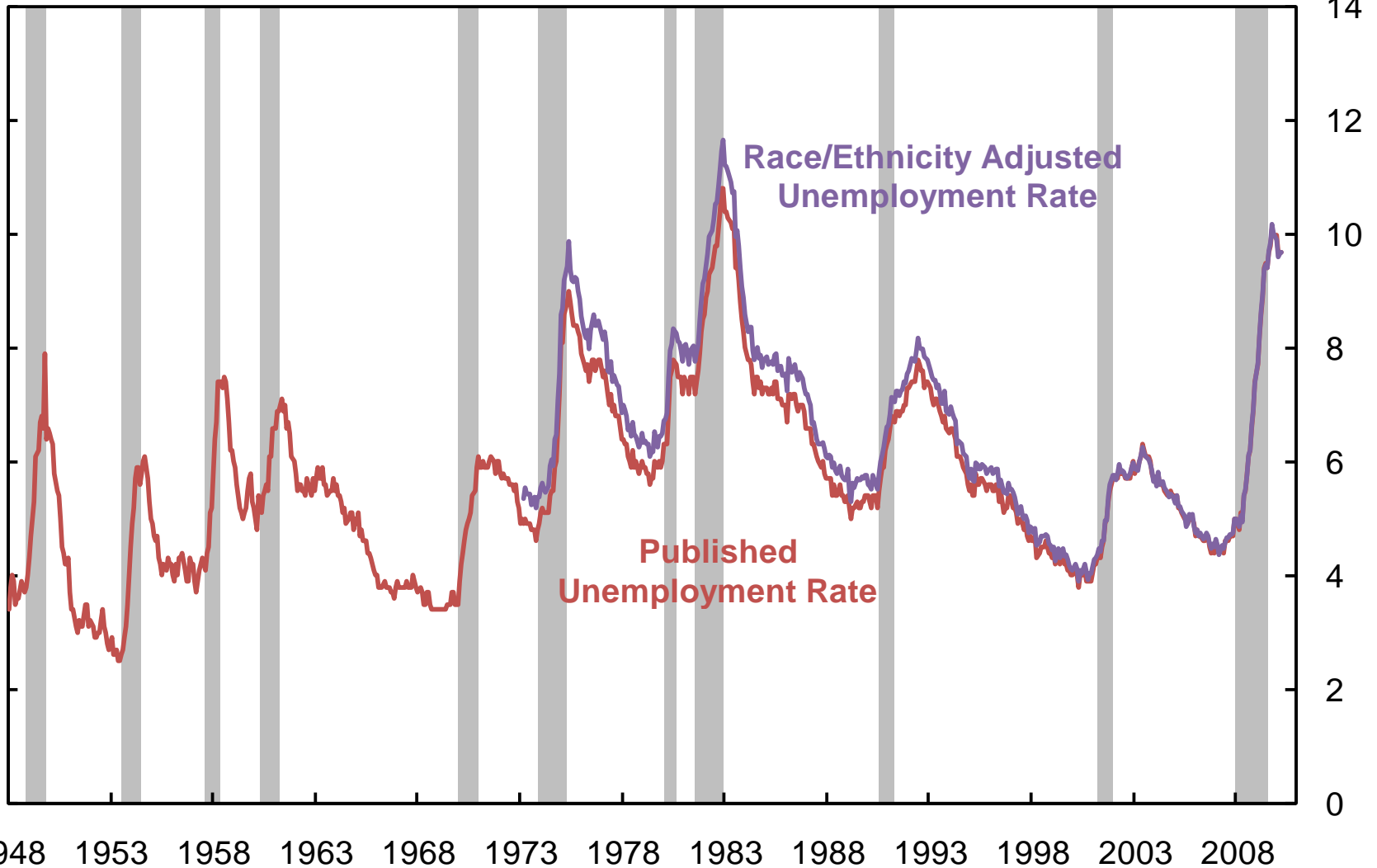


Source: Bureau of Labor Statistics

Race/Ethnicity-Adjusted Unemployment

Adjusted for white, black, and hispanic groups

Percent of Labor Force

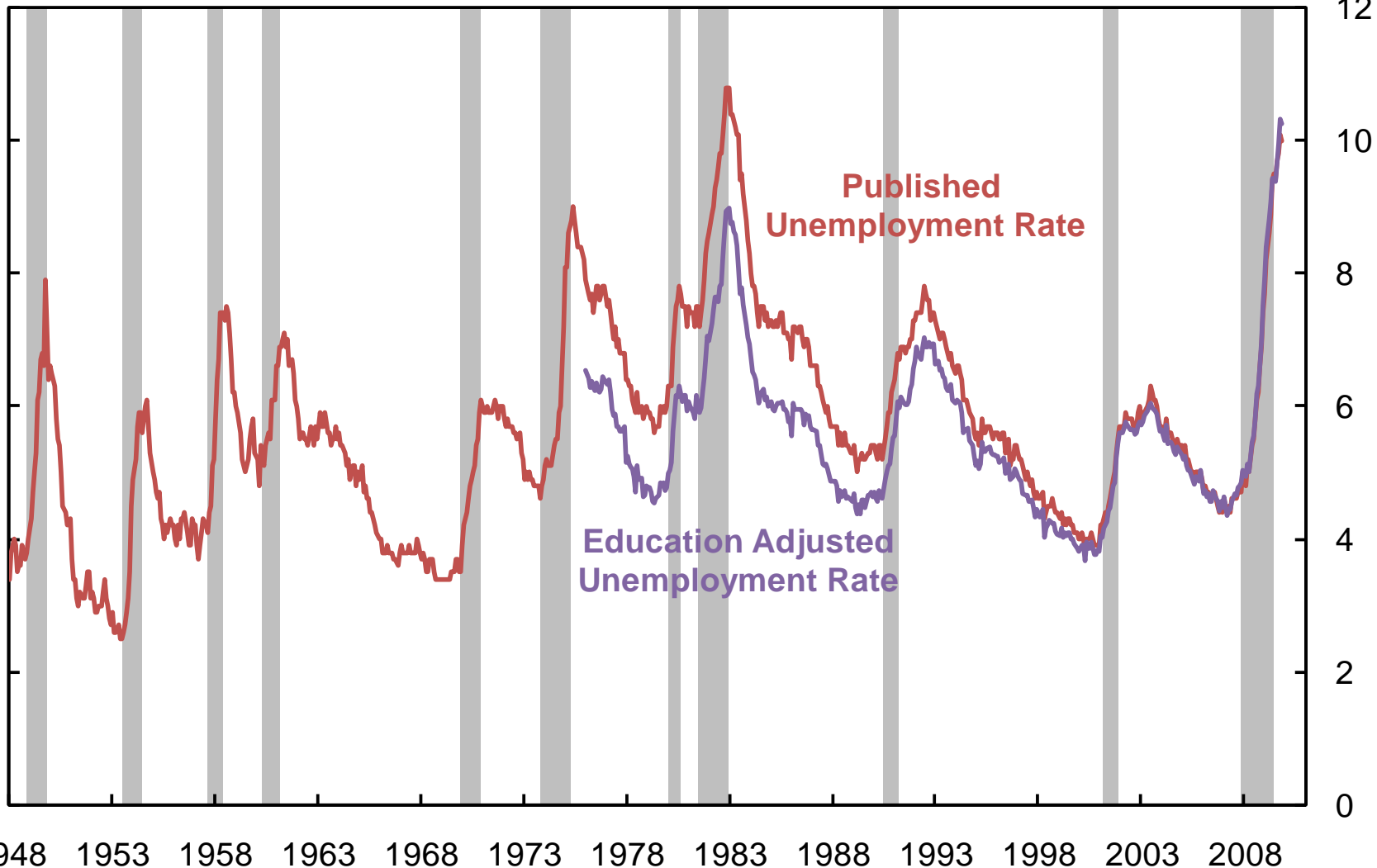


Source: Bureau of Labor Statistics

Education-Adjusted Unemployment

Adjusted for <12, 12, 13-15, and 16+ years of education

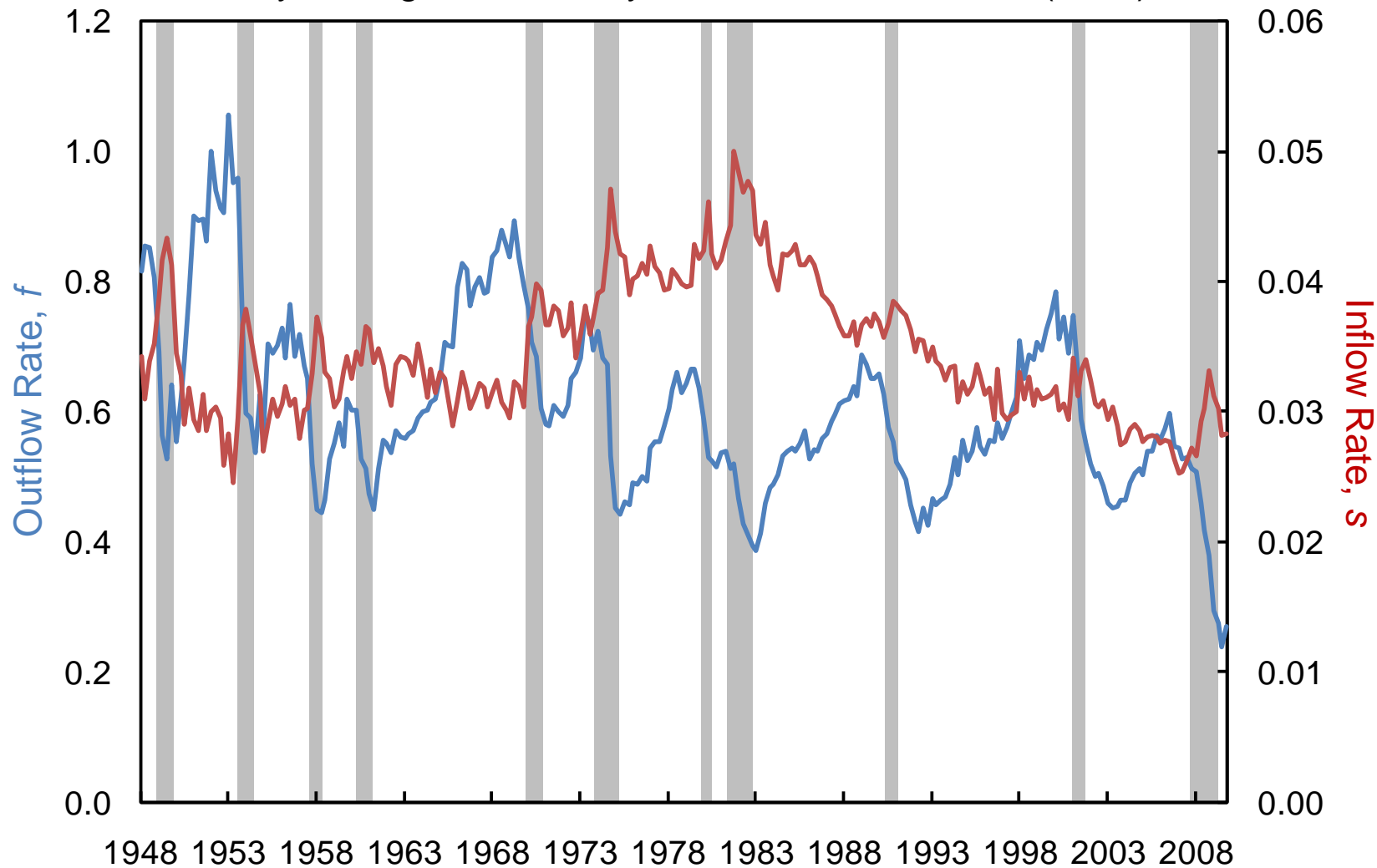
Percent of Labor Force



Source: Bureau of Labor Statistics, Current Population Survey

Unemployment Inflow and Outflow Rates

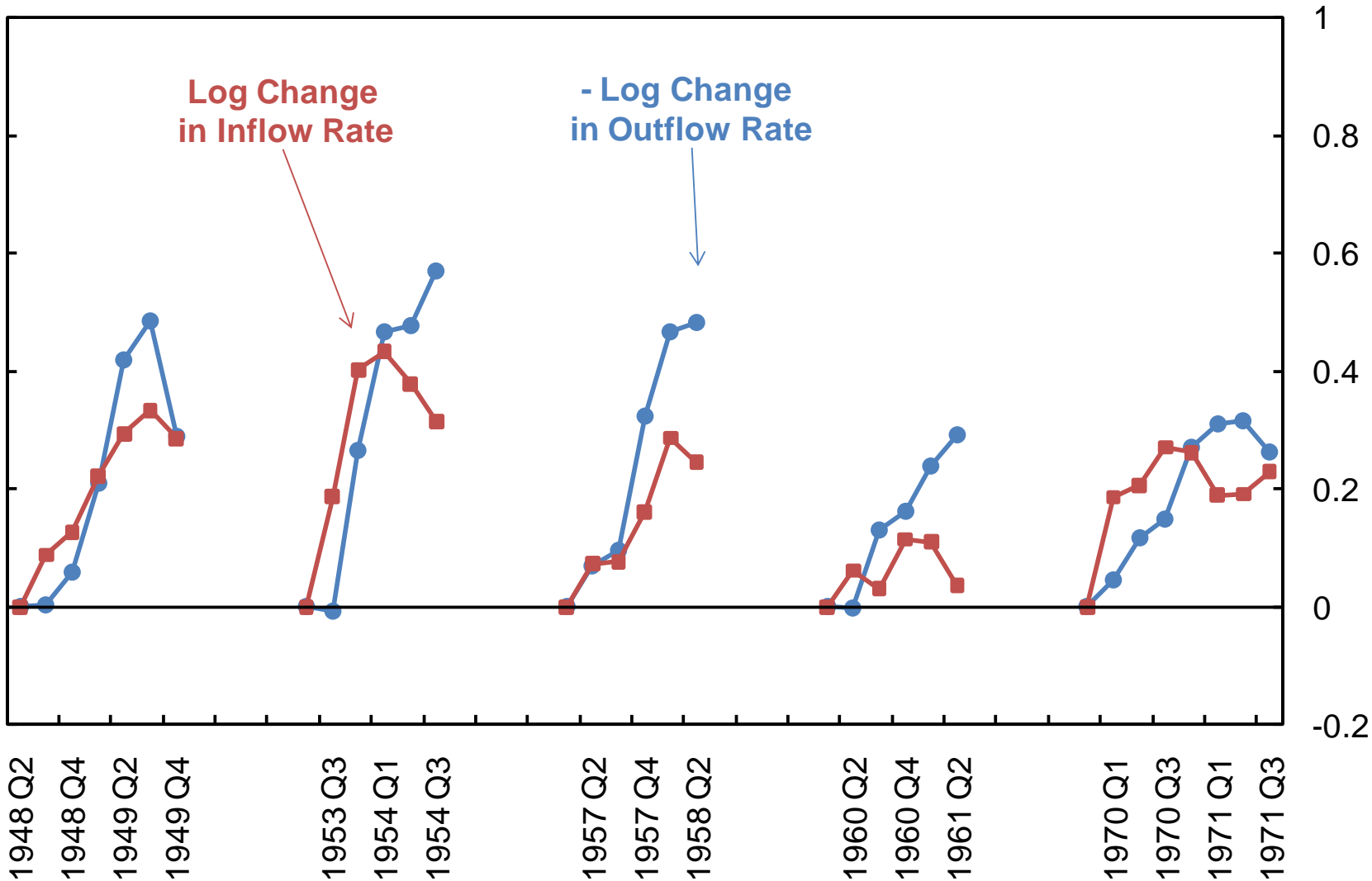
Quarterly averages of monthly data based on Shimer (2007)



Source: Bureau of Labor Statistics and authors' calculations.

Contributions of Inflow vs. Outflow Rates, 1948-1971

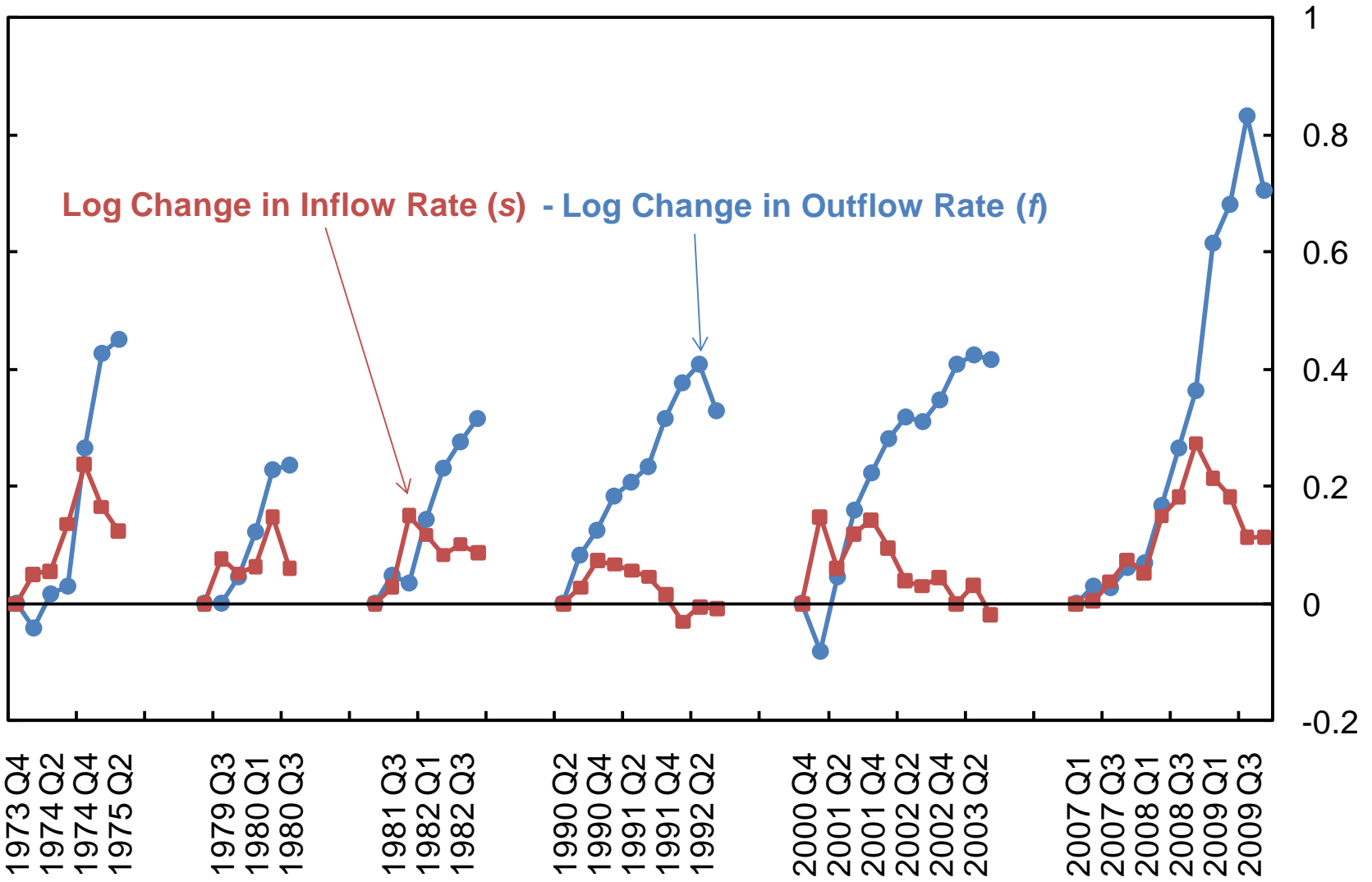
Cumulative log change in hazards since start of unemployment ramp up Log Change



Source: Bureau of Labor Statistics and authors' calculations.

Contributions of Inflow vs. Outflow Rates, 1973-2009

Cumulative log change in hazards since start of unemployment ramp up Log Change

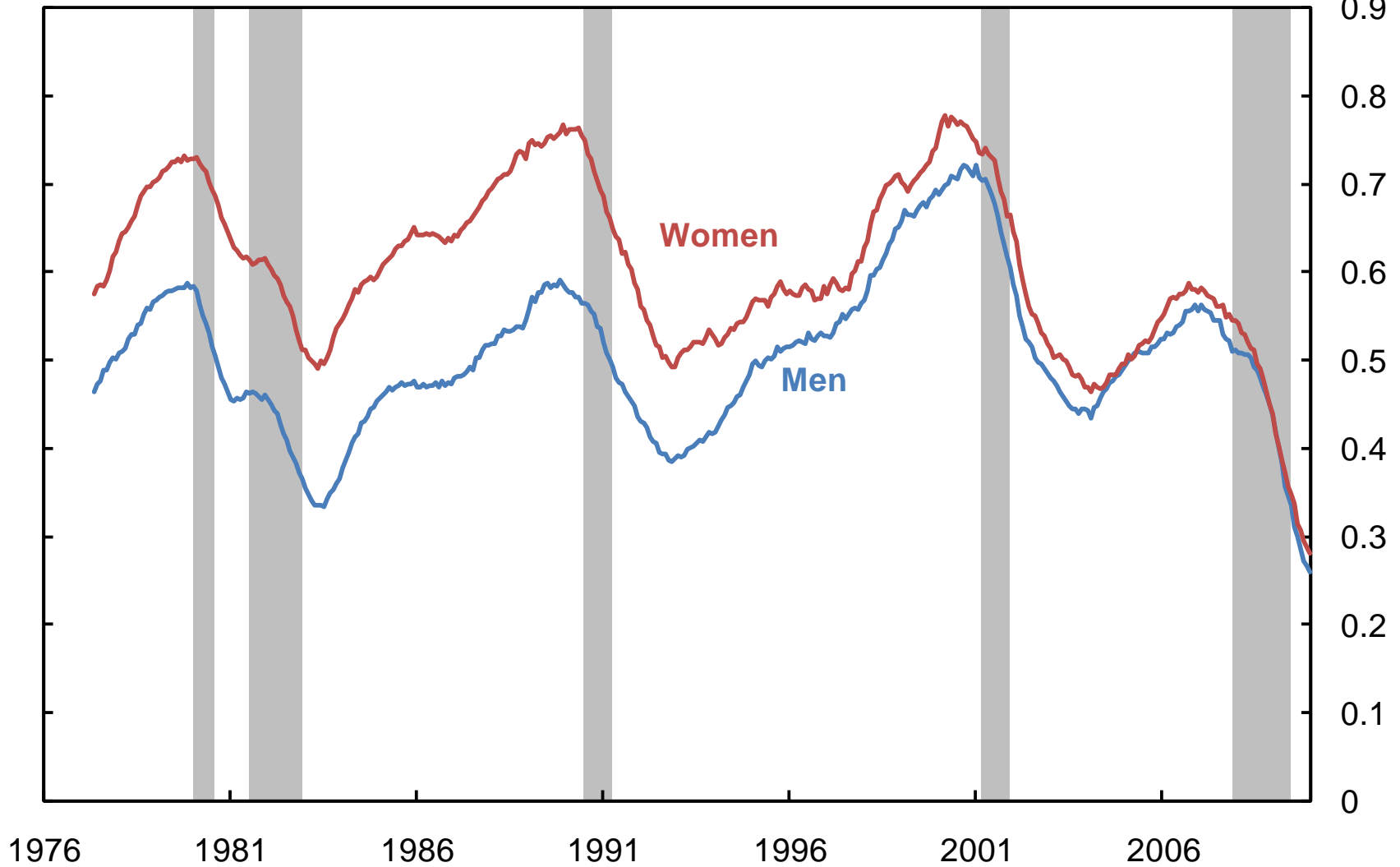


Source: Bureau of Labor Statistics and authors' calculations.

Outflow Rates by Gender

12-month moving averages of seasonally adjusted data

Monthly hazard

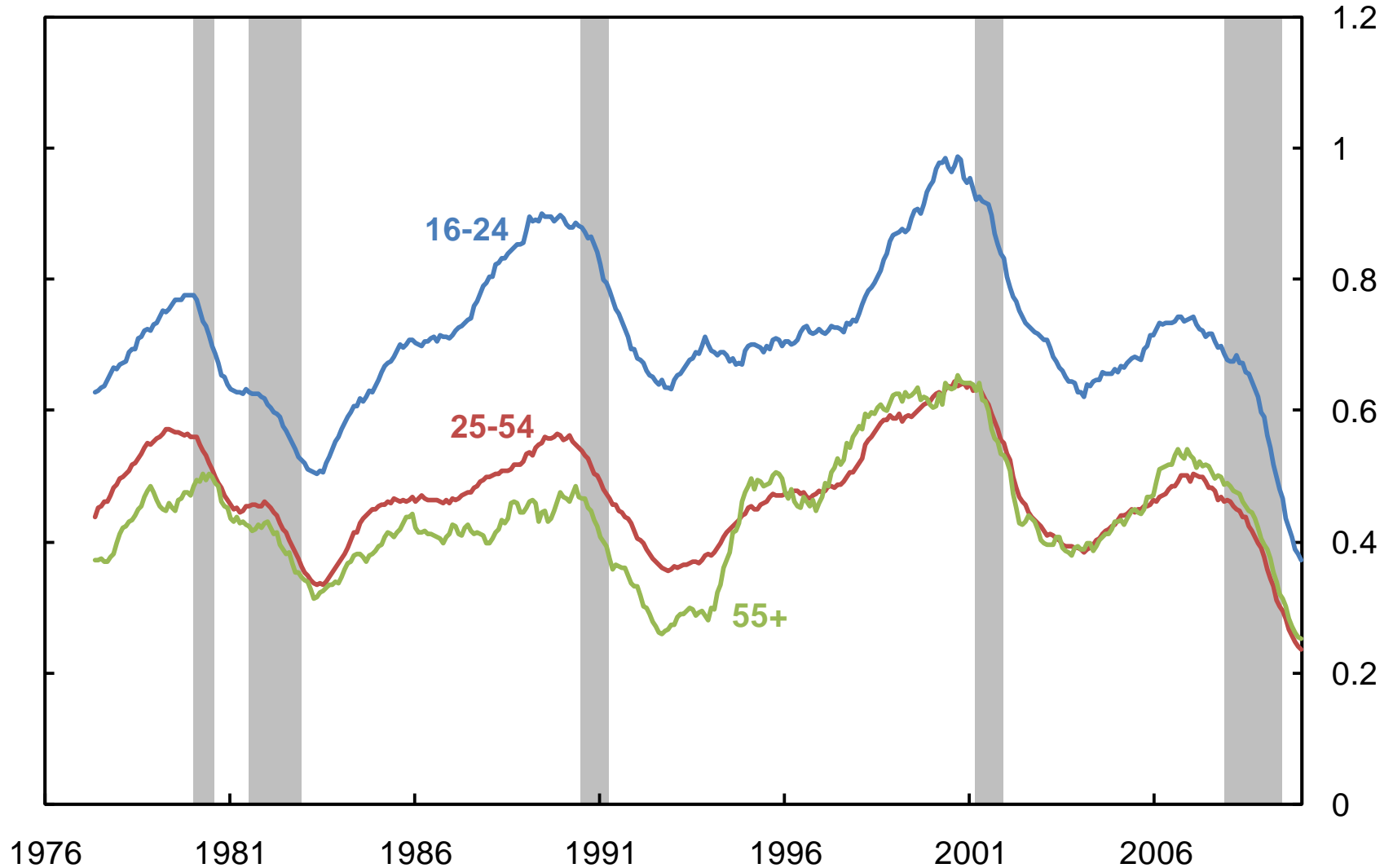


Source: Bureau of Labor Statistics and authors' calculations

Outflow Rates by Age Group

12-month moving average of seasonally adjusted data

Monthly Hazard

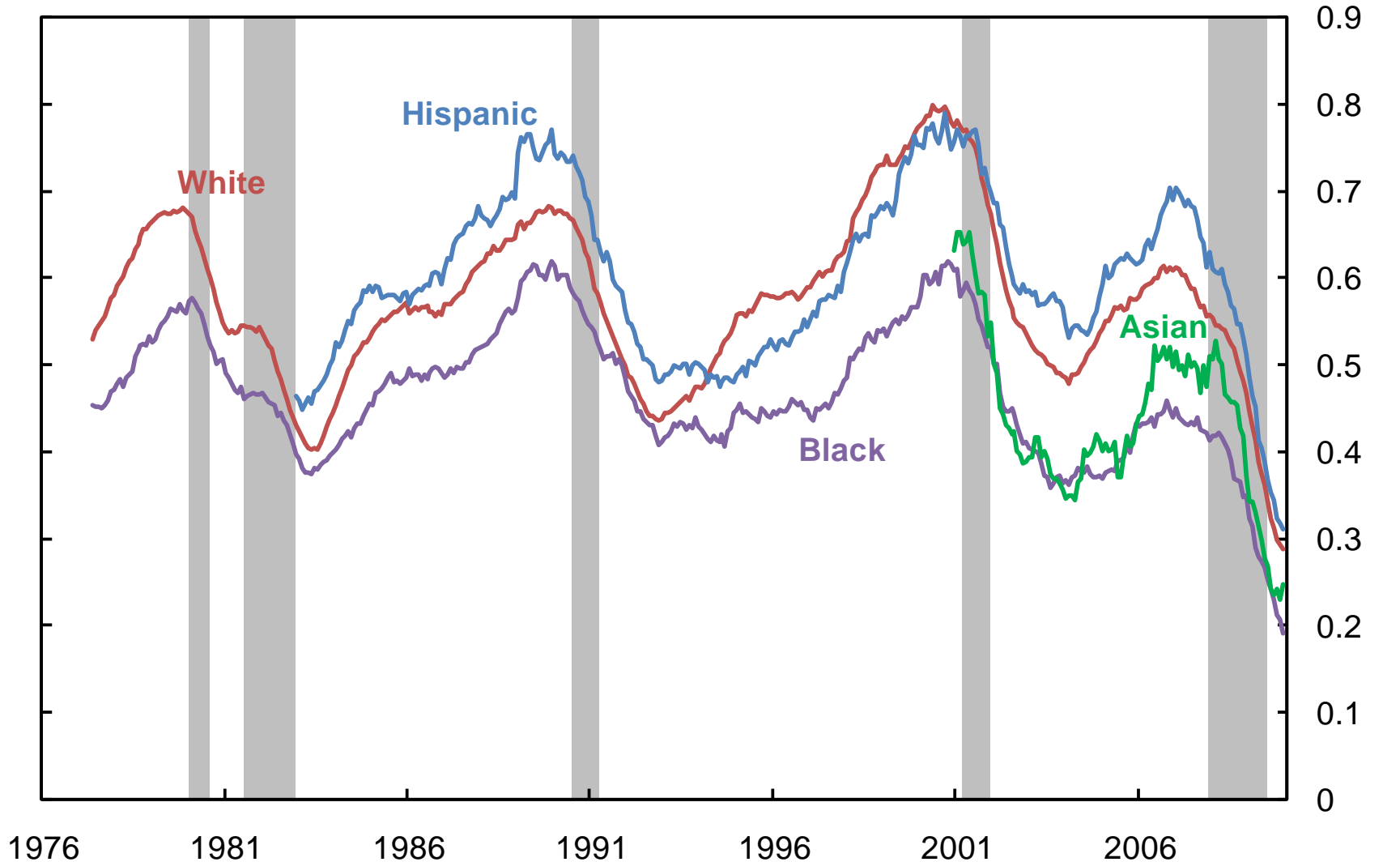


Source: Bureau of Labor Statistics and authors' calculations

Unemployment Outflow Rates by Race/Ethnicity

12-month moving average of seasonally adjusted data

Monthly Hazard

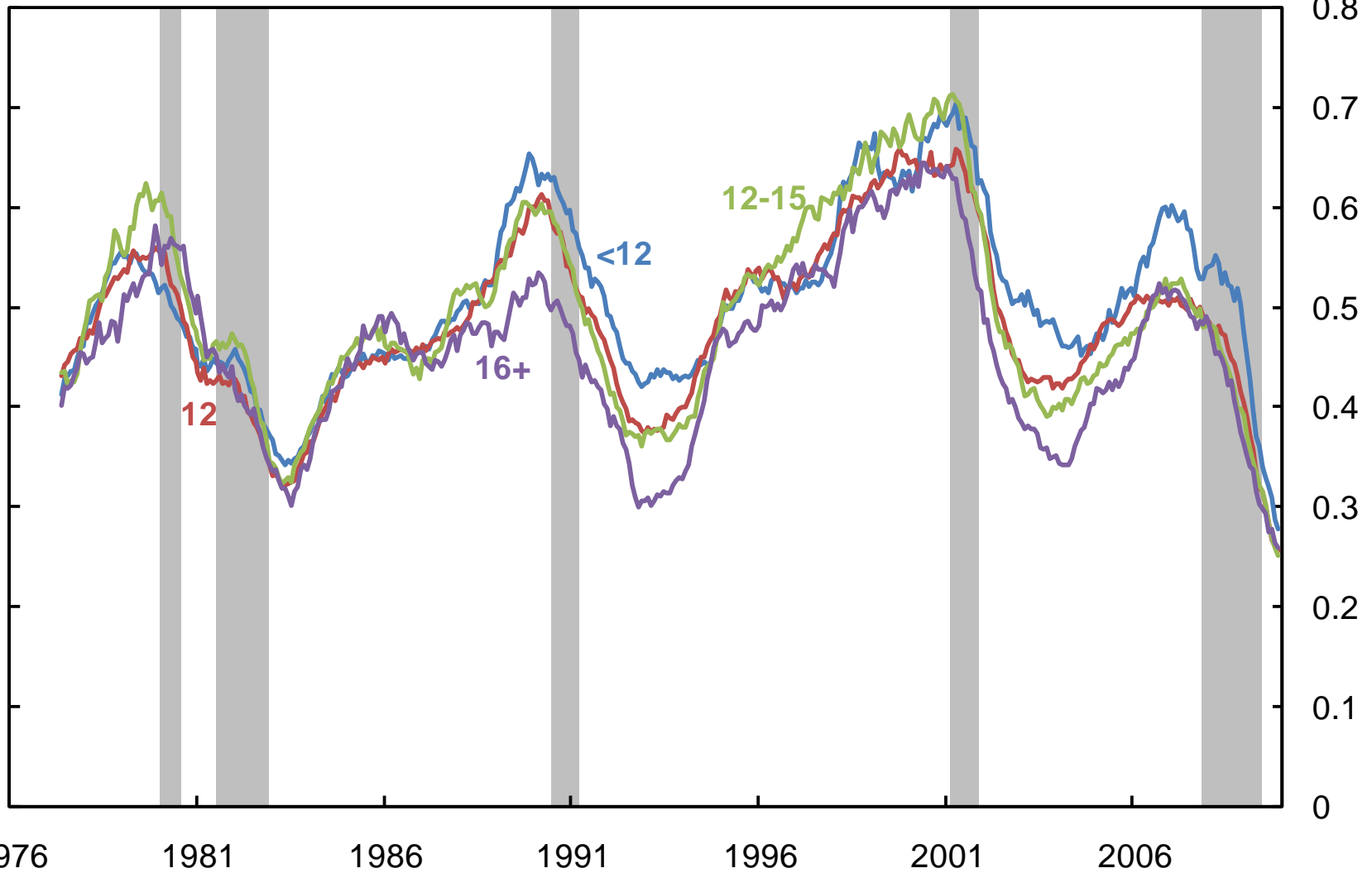


Source: Bureau of Labor Statistics, Current Population Survey, and authors' calculations

Outflow Rates by Education

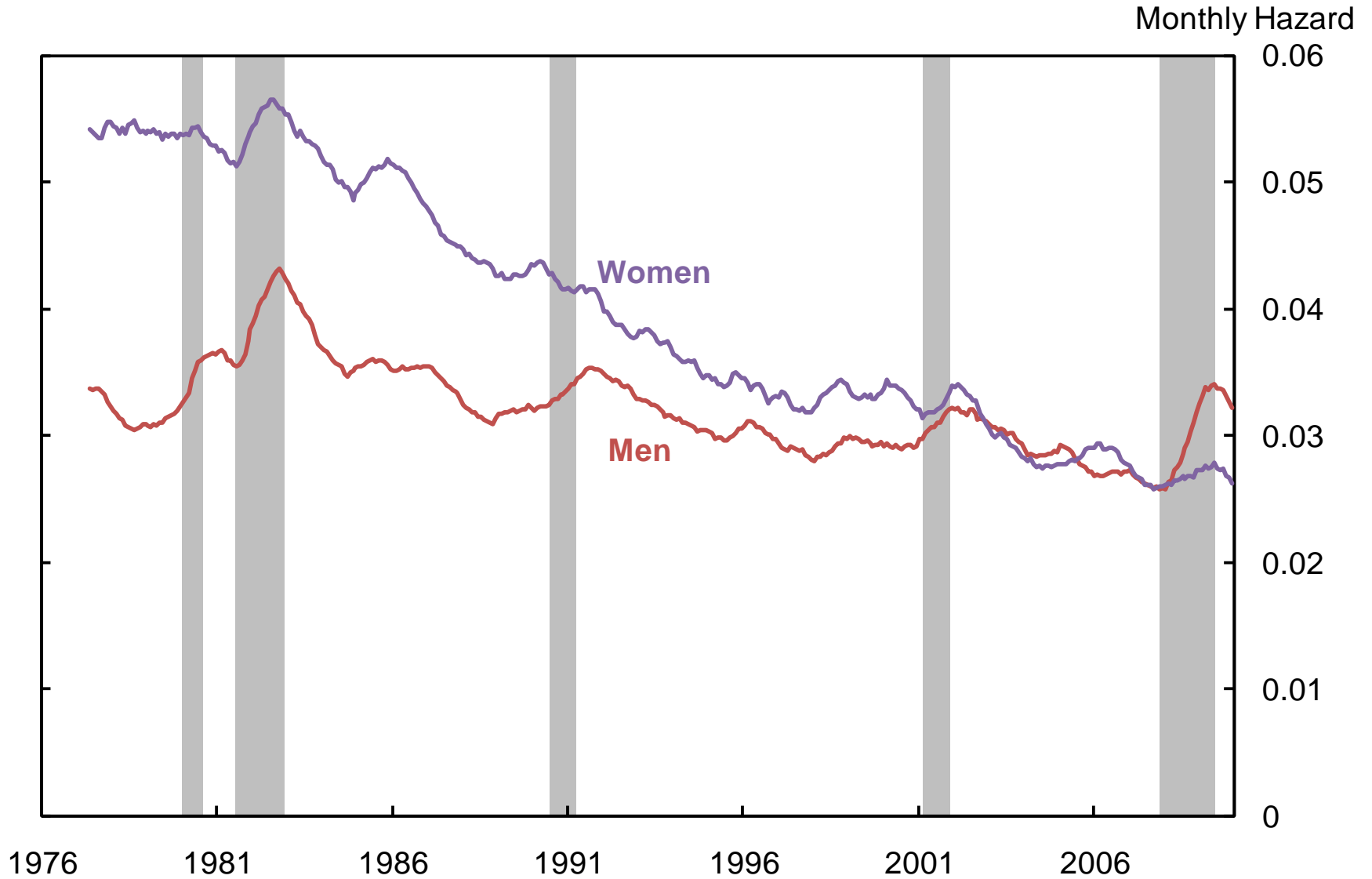
12-month moving average of seasonally adjusted data

Monthly Hazard Rate



Source: Bureau of Labor Statistics, Current Population Survey, and authors' calculations

Inflow Rates by Gender

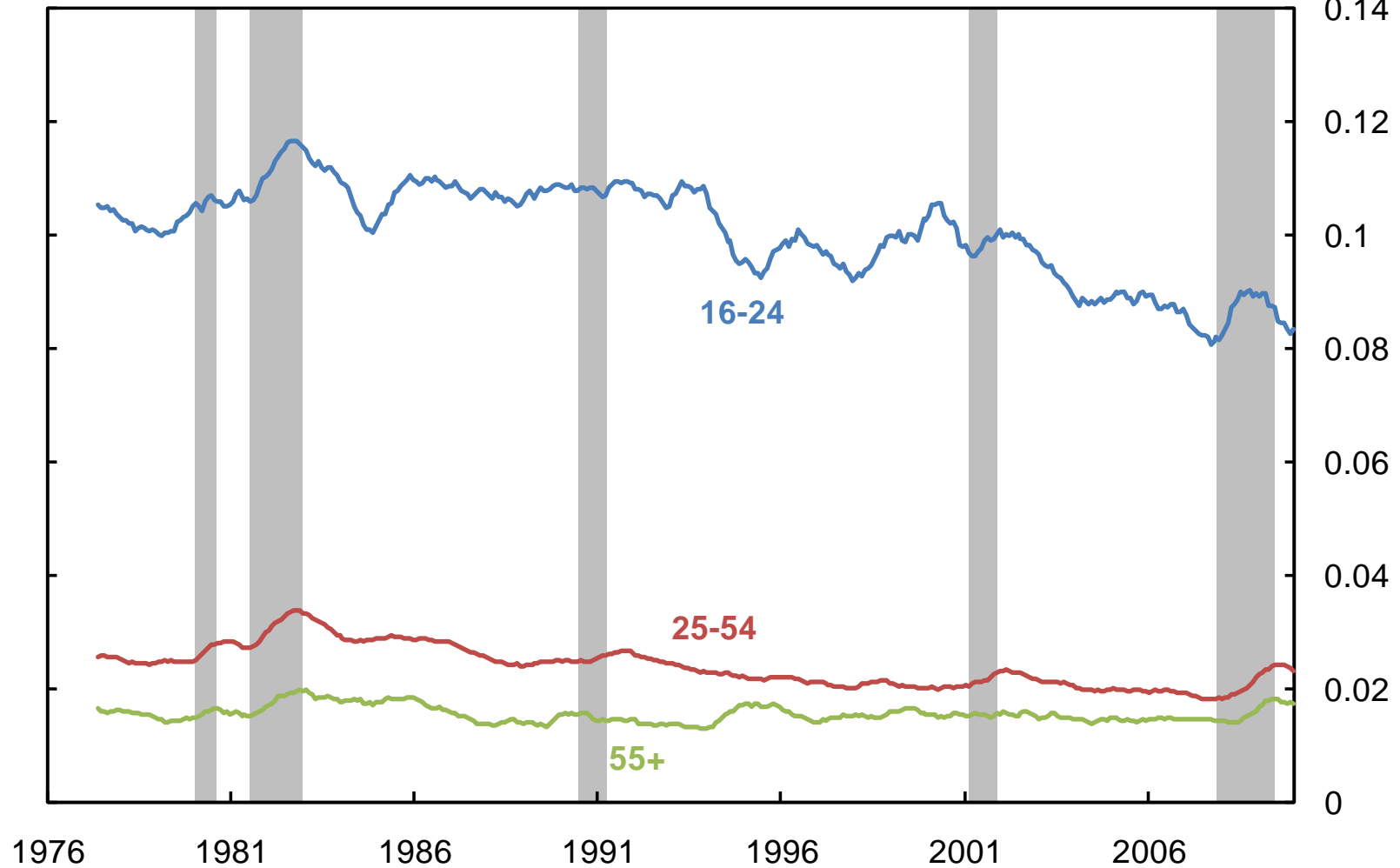


Source: Bureau of Labor Statistics and authors' calculations

Inflow Rates by Age Group

12-month moving average of seasonally adjusted data

Monthly Hazard

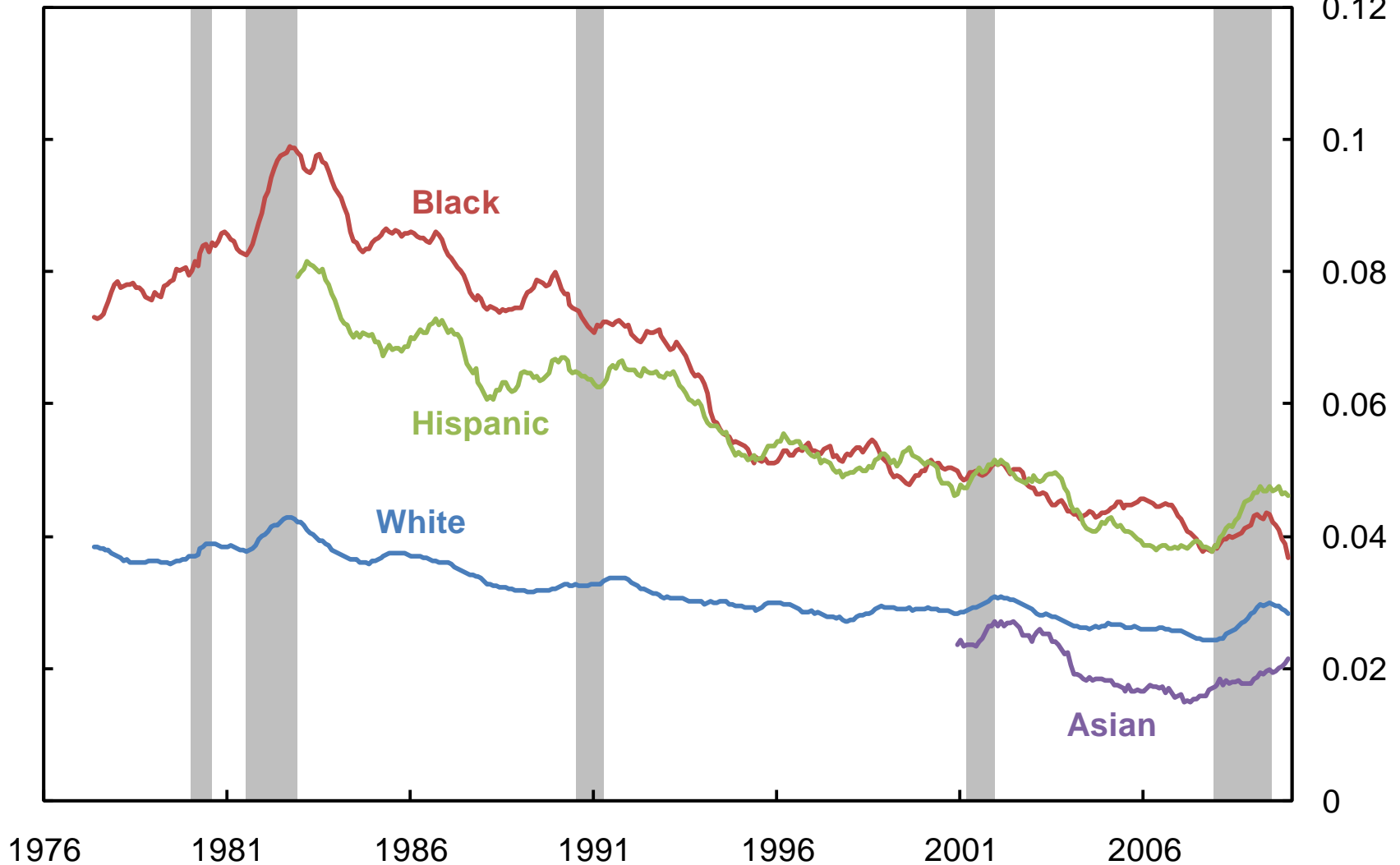


Source: Bureau of Labor Statistics and authors' calculations

Unemployment Inflow Rates by Race/Ethnicity

12-month moving average of seasonally adjusted data

Monthly Hazard

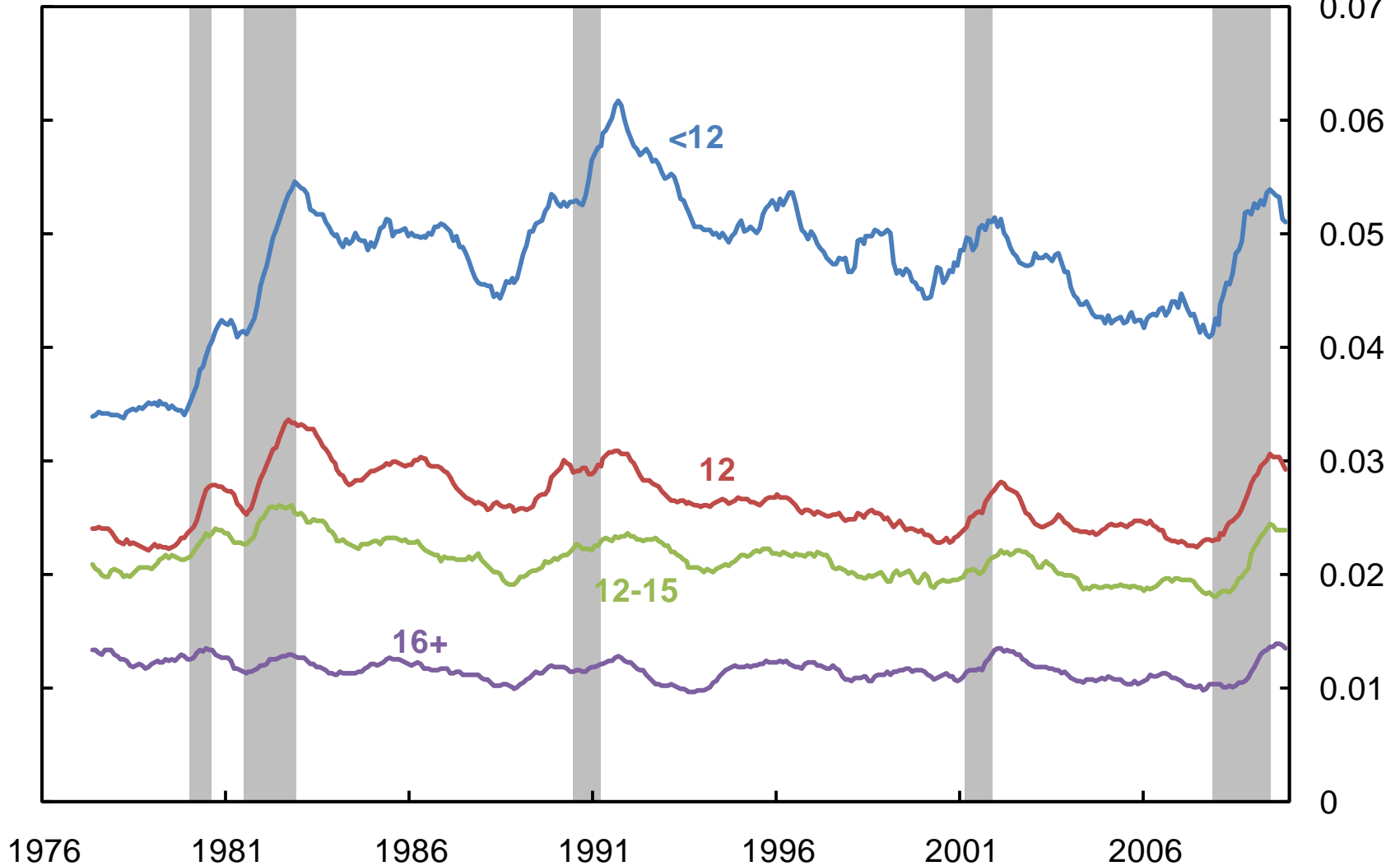


Source: Bureau of Labor Statistics, Current Population Survey, and authors' calculations

Inflow Rates by Education

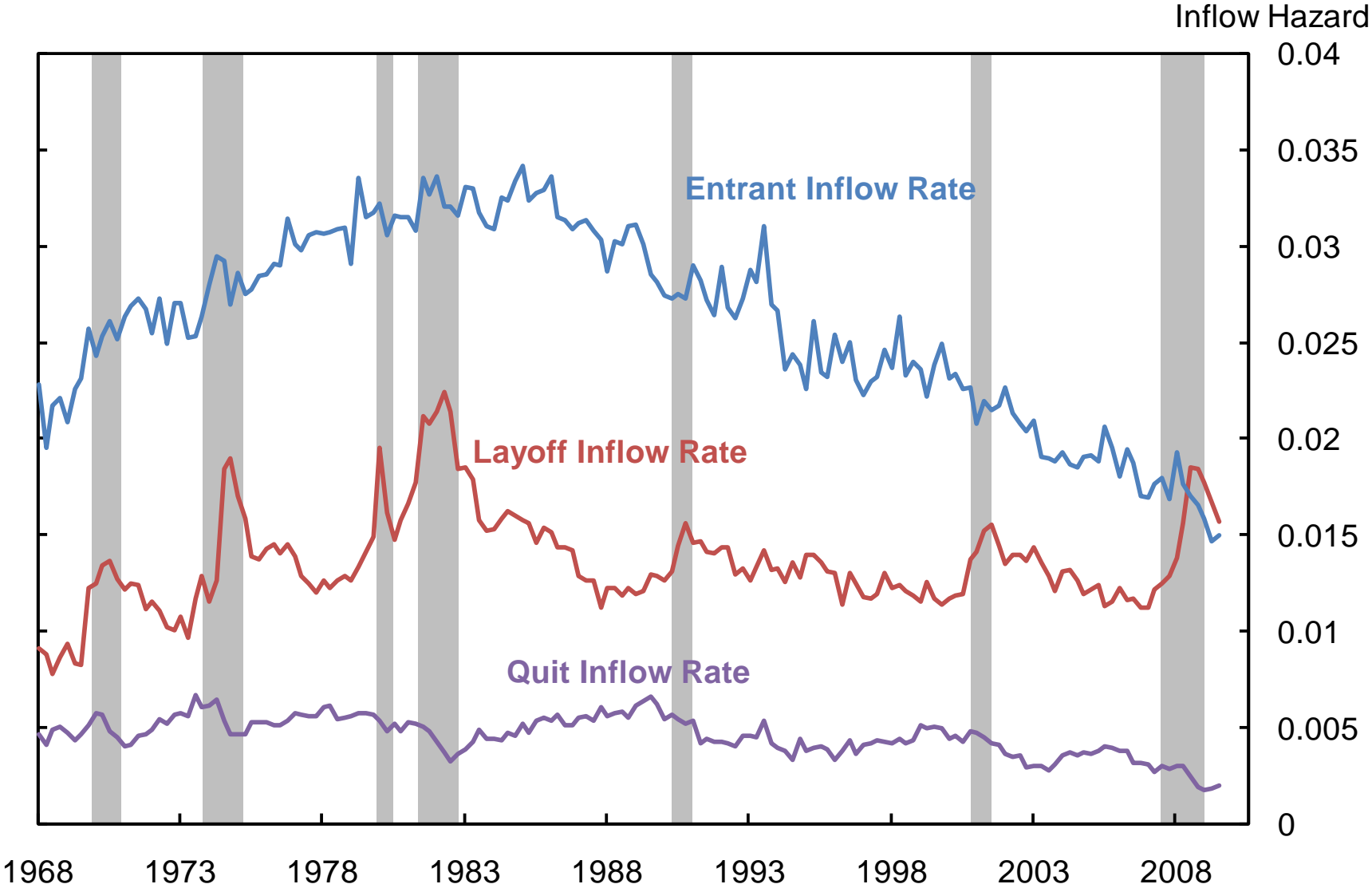
12-month moving average of seasonally adjusted data

Monthly Hazard



Source: Bureau of Labor Statistics, Current Population Survey, and authors' calculations

Inflow Rates by Reason for Unemployment

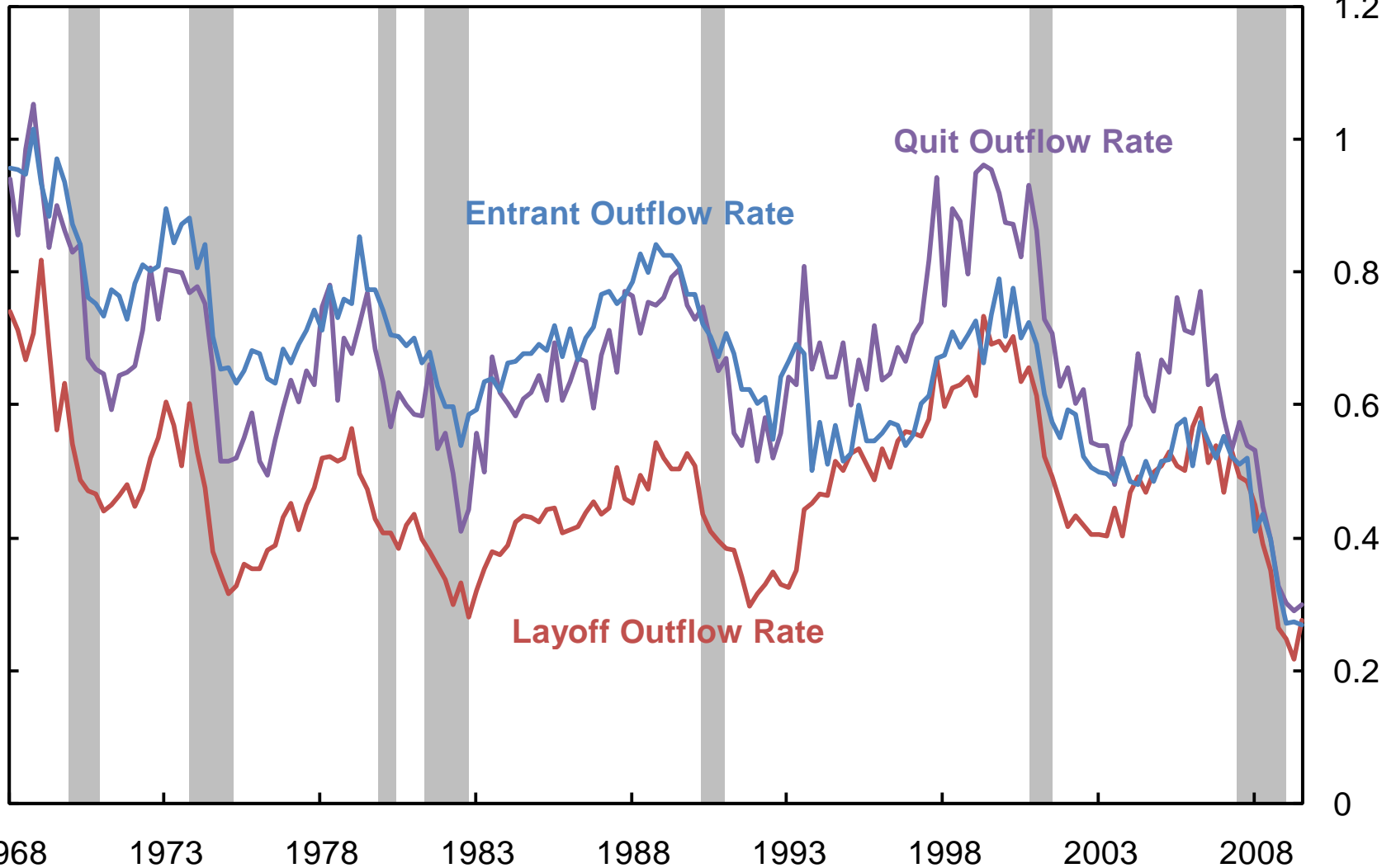


Source: Bureau of Labor Statistics and authors' calculations.

Outflow Rates by Reason for Unemployment

Monthly hazards based on Elsby, Michaels and Solon (2009)

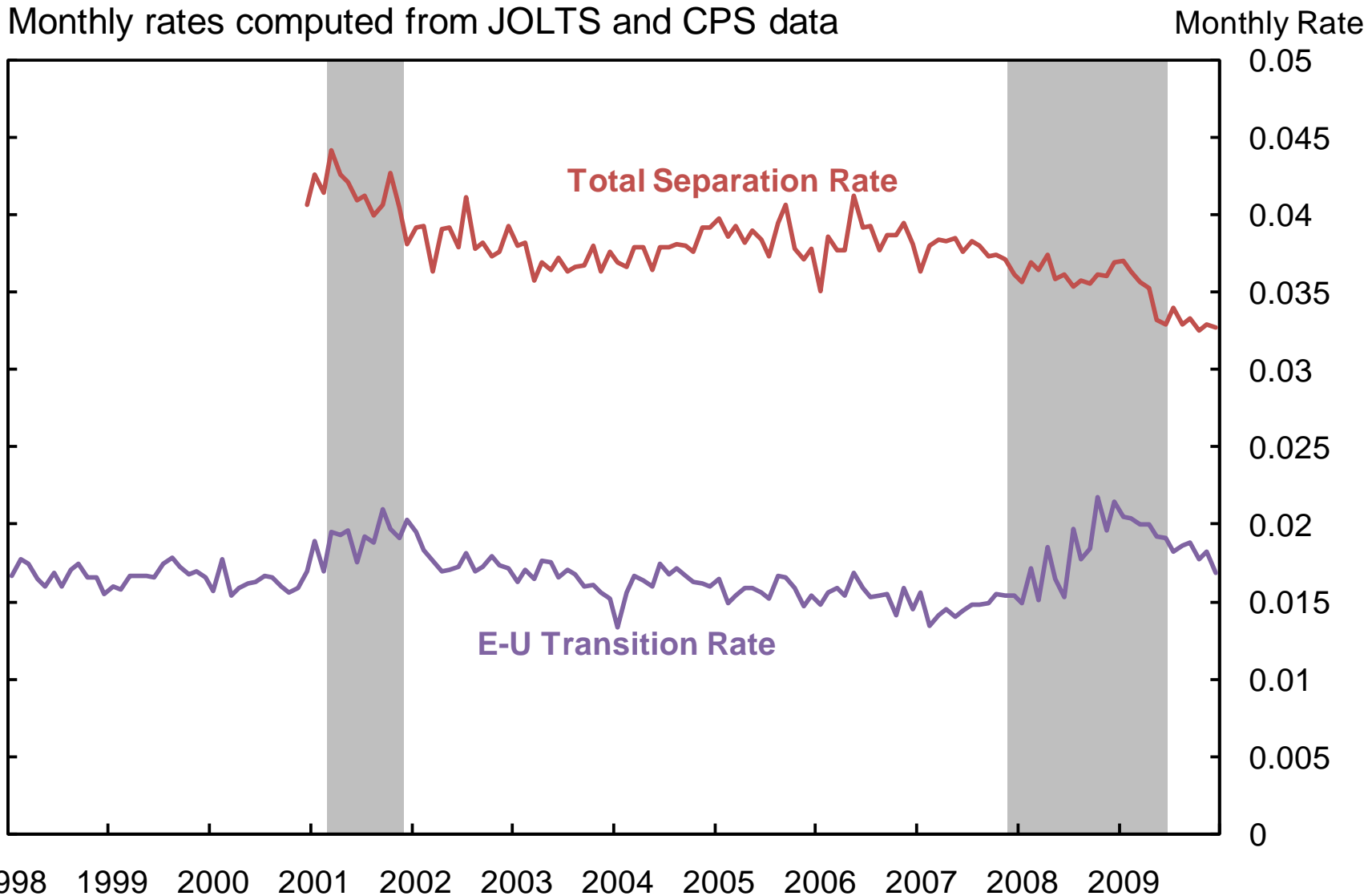
Outflow Hazard



Source: Bureau of Labor Statistics and authors' calculations.

Separation Rate vs. E-U Transition Rate

Monthly rates computed from JOLTS and CPS data

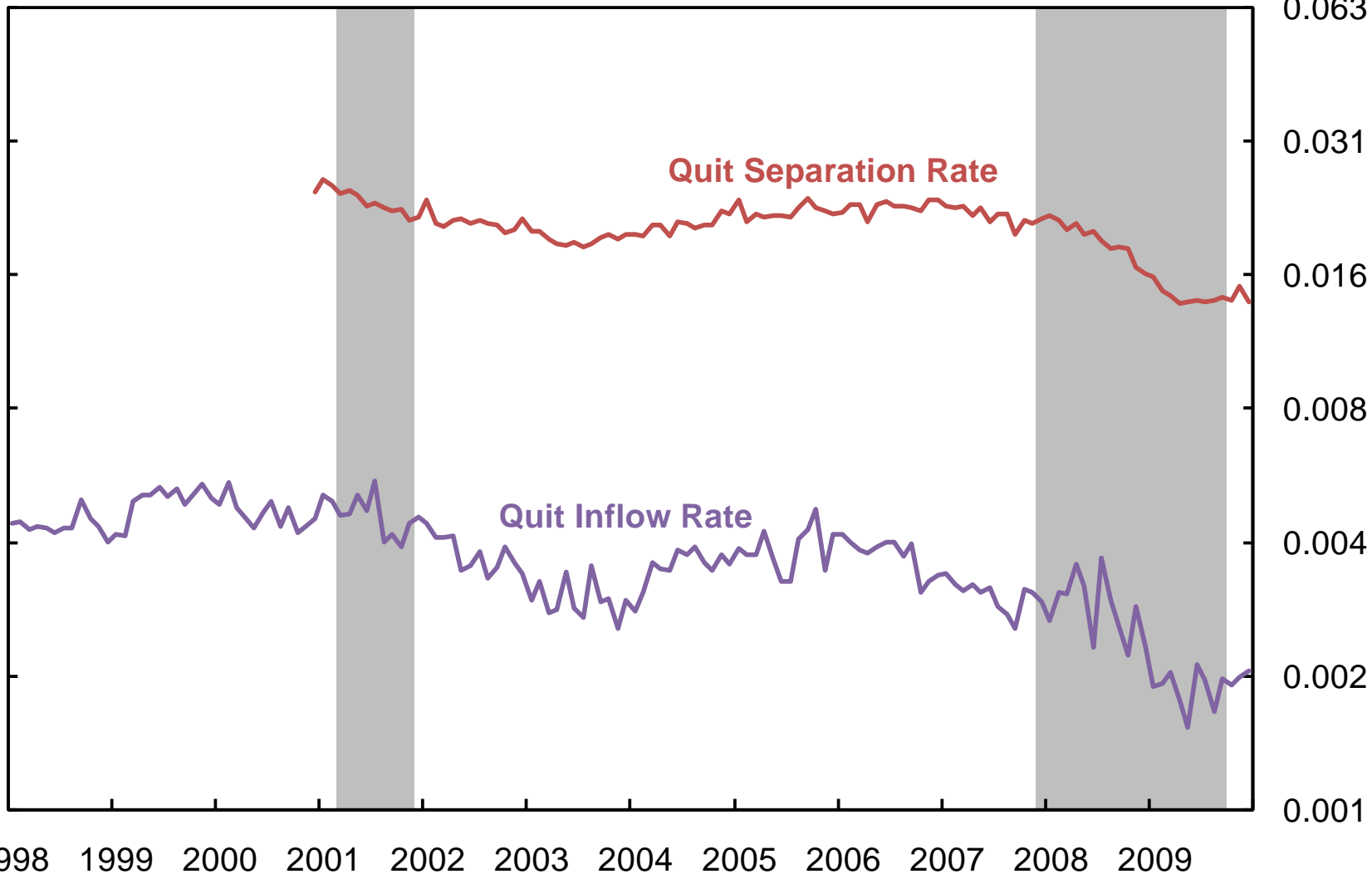


Source: Bureau of Labor Statistics and authors' calculations.

Separations vs. Unemployment Inflows: Quits

Monthly rates computed from JOLTS and CPS data

Monthly Rate (log scale)

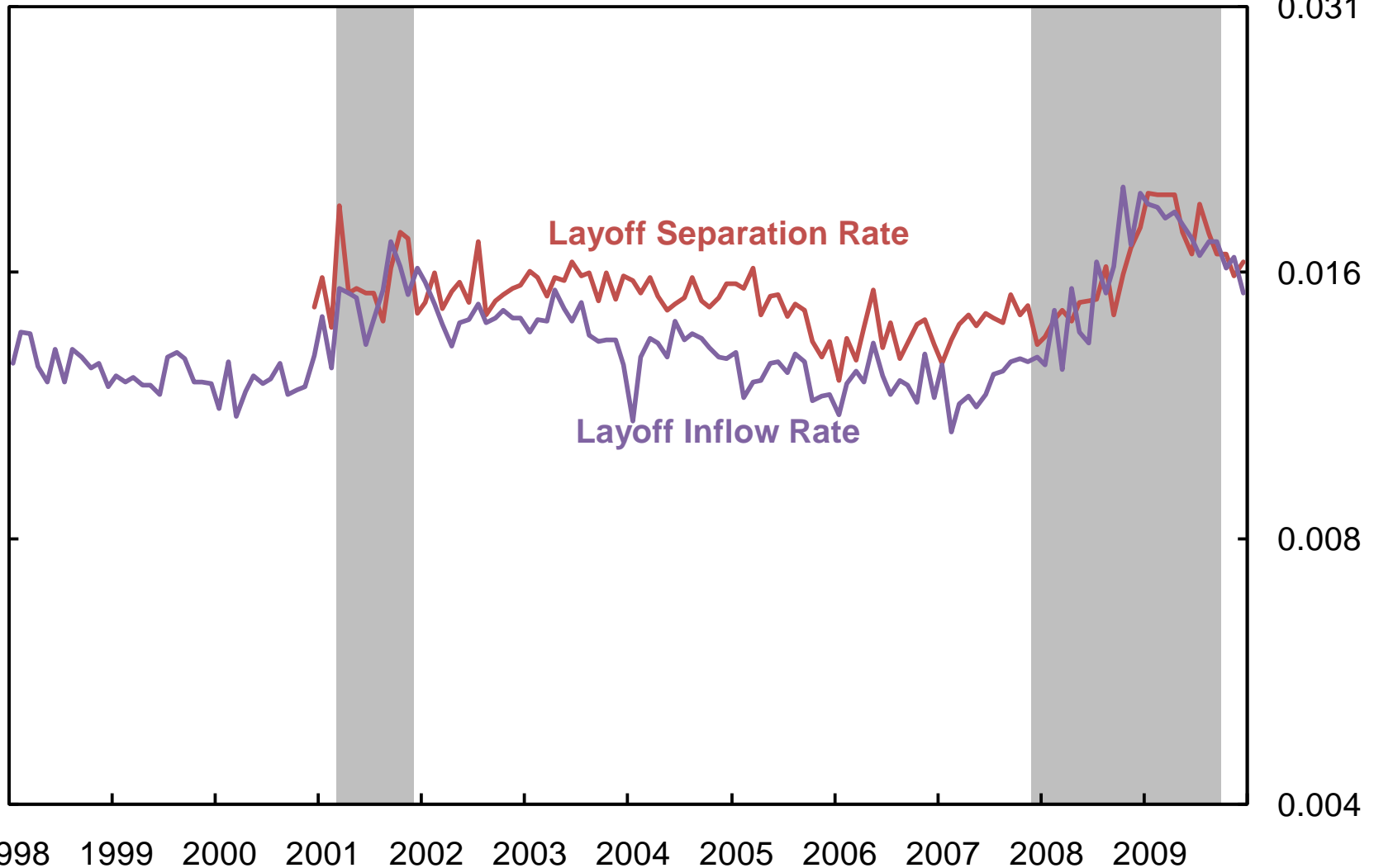


Source: Bureau of Labor Statistics and authors' calculations.

Separations vs. Unemployment Inflows: Layoffs

Monthly rates computed from JOLTS and CPS data

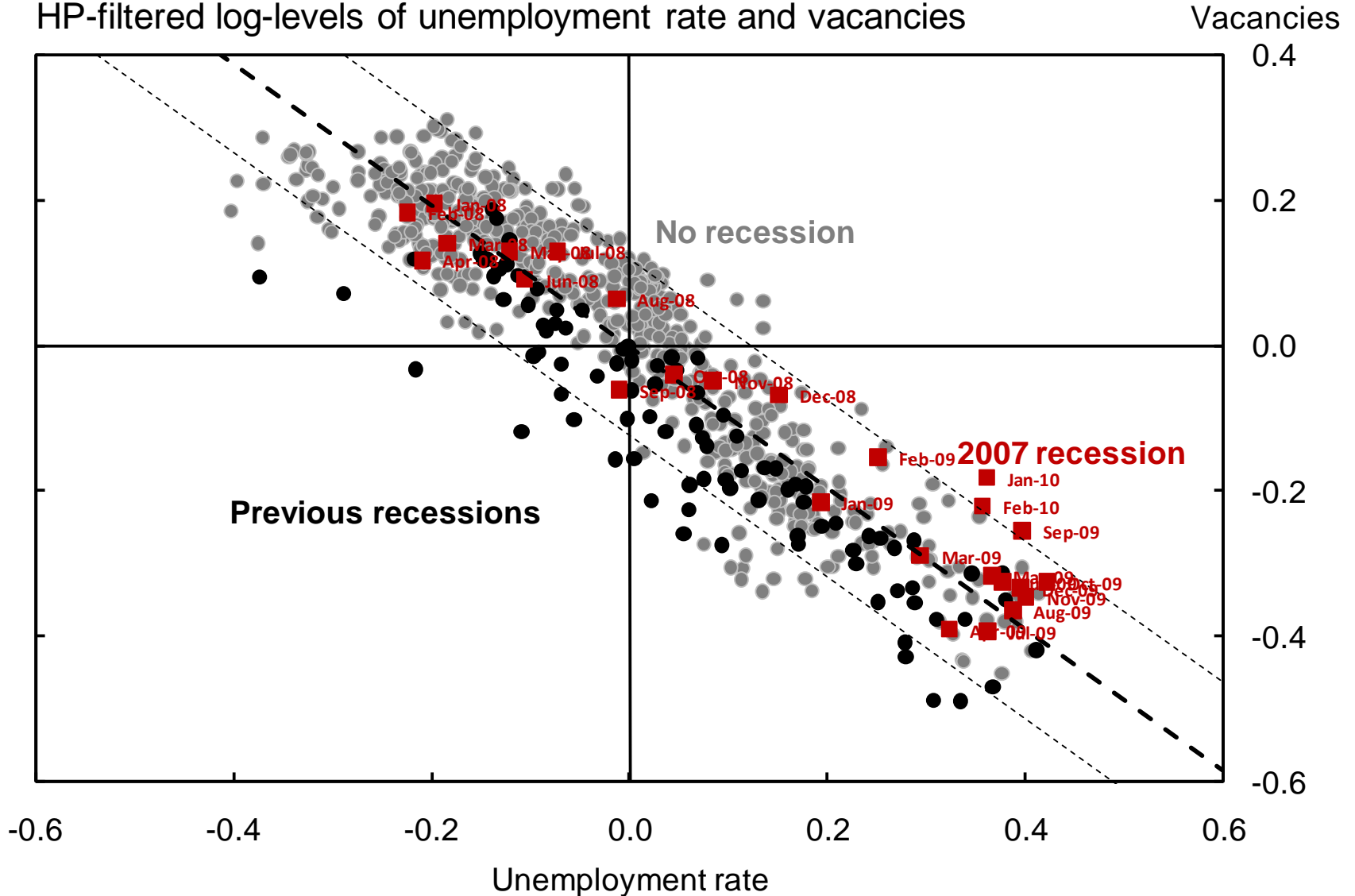
Monthly Rate (log scale)



Source: Bureau of Labor Statistics and authors' calculations.

Beveridge Curve

HP-filtered log-levels of unemployment rate and vacancies

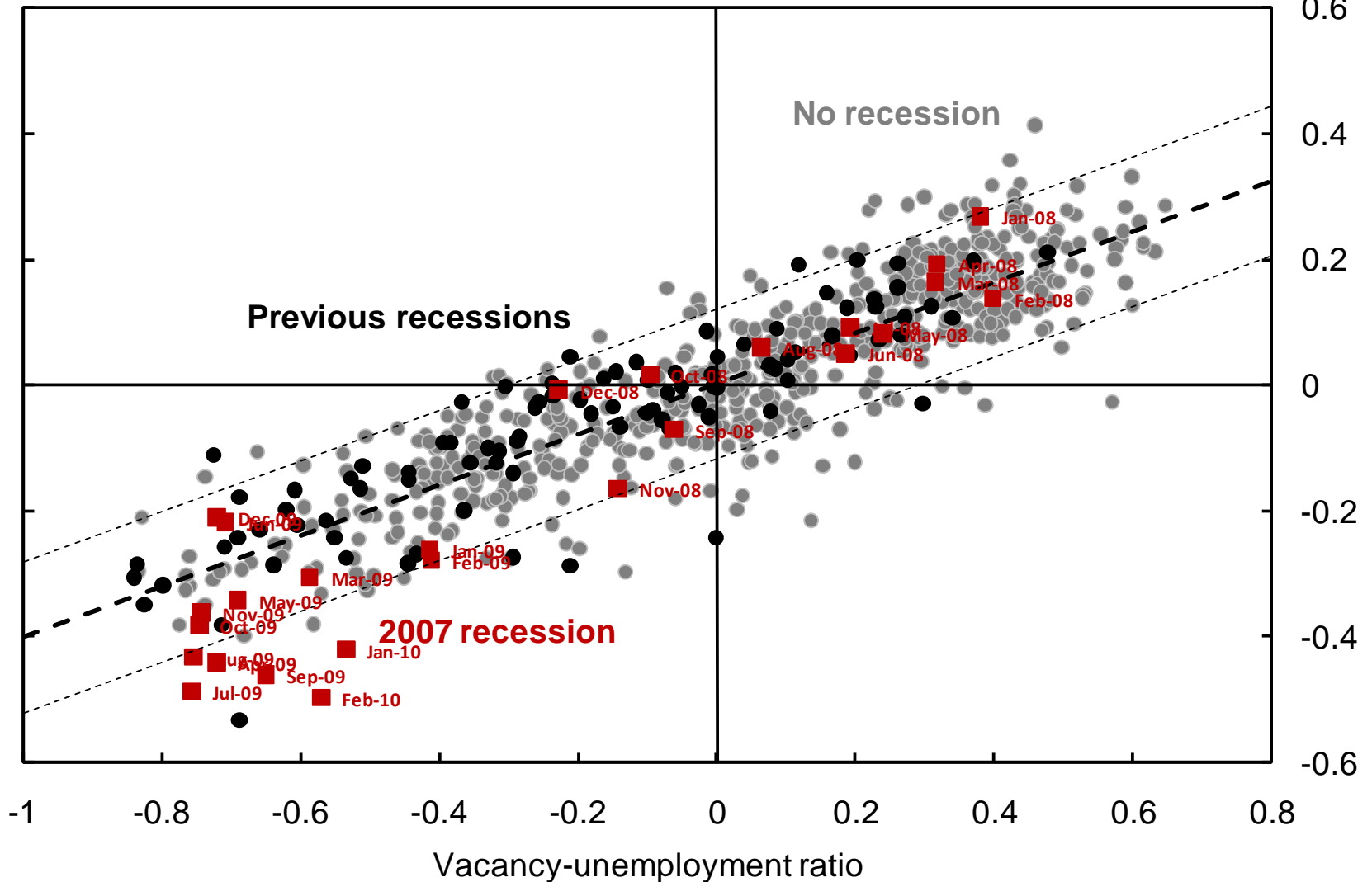


Source: Bureau of Labor Statistics, Barnichon (2009), and authors' calculations

Matching Function

HP-filtered log-levels; seasonally adjusted

Outflow hazard rate

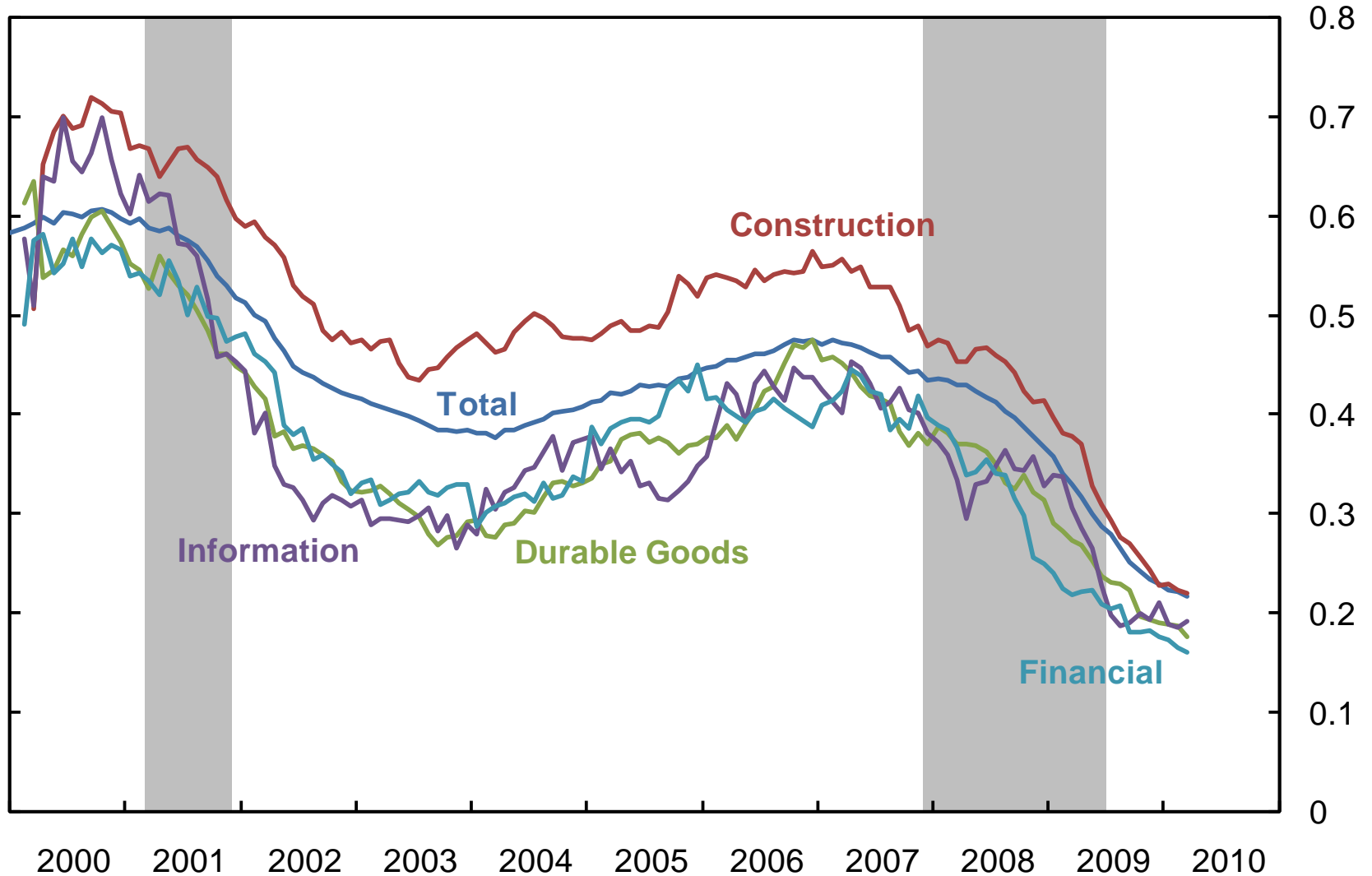


Source: Bureau of Labor Statistics, Barnichon (2009), and authors' calculations

Unemployment Outflow Hazards by Industry

12-m moving averages of monthly data

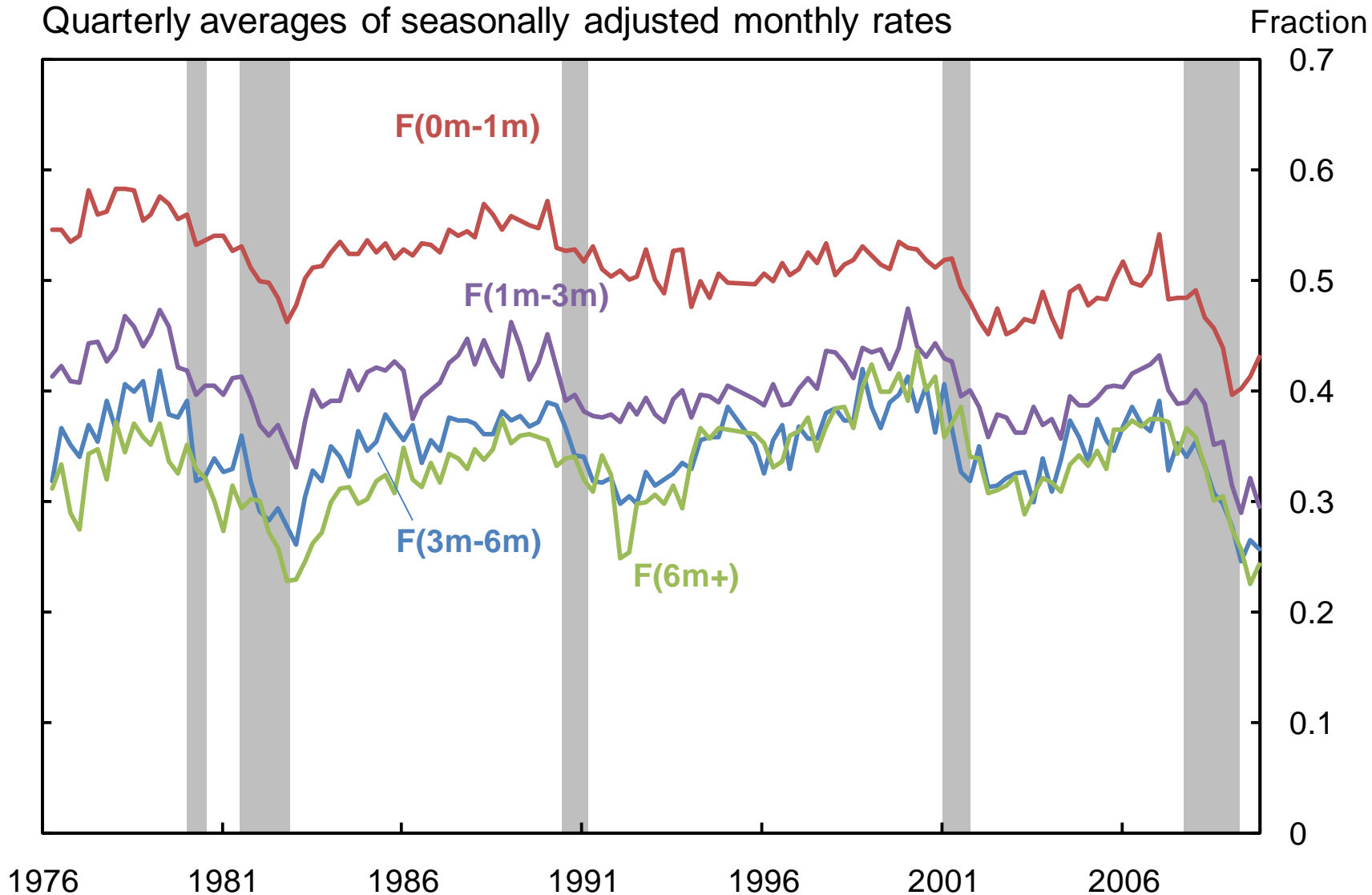
Monthly outflow hazard



Source: Bureau of Labor Statistics and authors' calculations

Outflow probabilities by duration

Quarterly averages of seasonally adjusted monthly rates

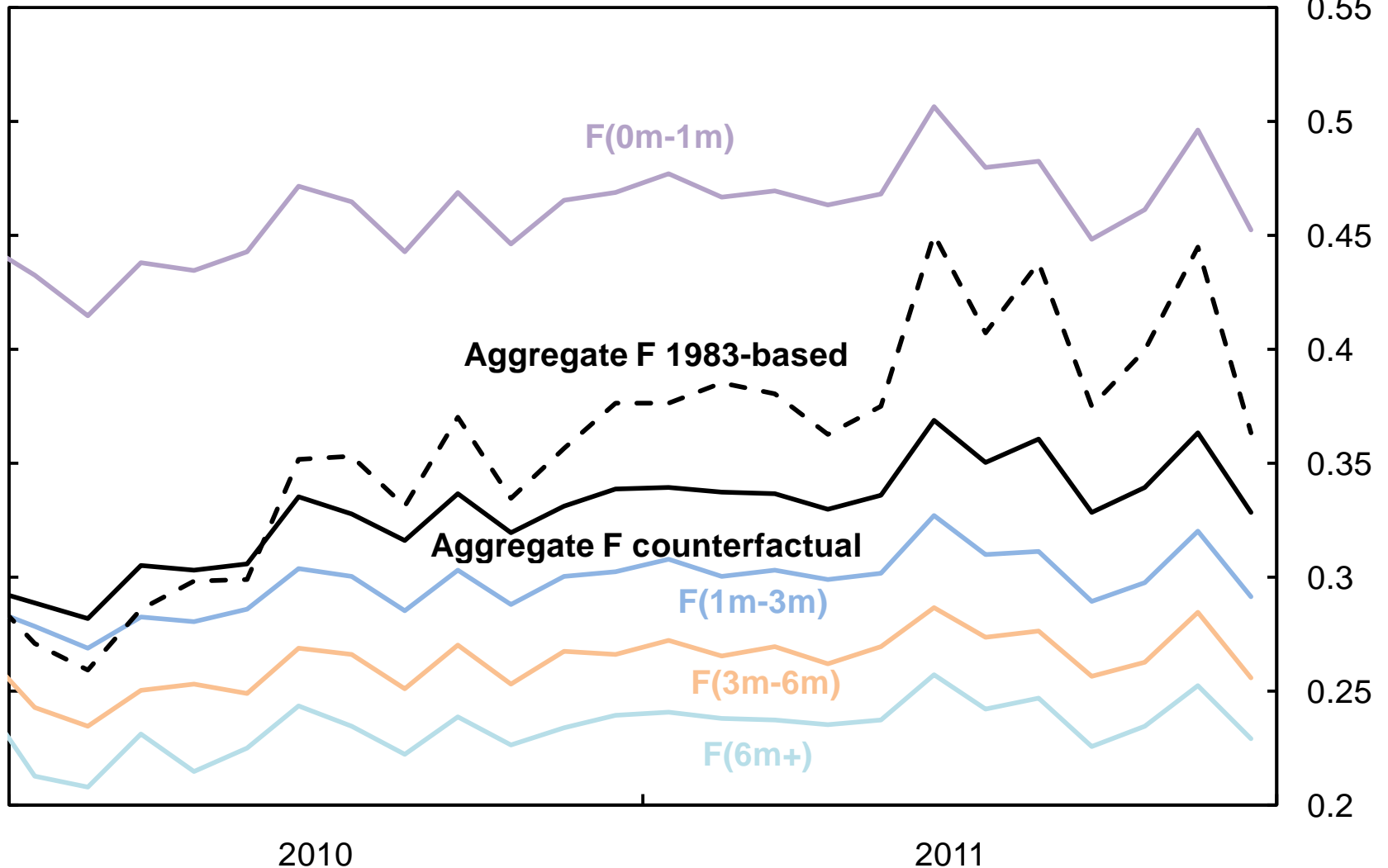


Source: Current Population Survey, authors' calculations

Aggregate outflow probability simulations

Outflow probability simulation based on 1983 recovery

Monthly outflow probability



Source: Assuming post 1982 recession percentage changes in outflow rates